# Iraq Defiance Gets Stiff UN Response

# Security Council Calls Freeze On Inspections 'Unacceptable'

UNITED NATIONS, New York -The Security Council on Thursday declared Baghdad's freeze on cooperation with UN weapons inspectors "totally inacceptable" and called for an "nr-

the inspectors and Iraq.

Kofi Annan, the UN secretary-general, called Baghdad's move a "violation of Security Council resolutions and the memorandum of understand-

ent resumption" of dialogue between

He was referring to the agreement he extracted from President Saddam Hussein of Iraq in February, the last time Iraq cut off the inspectors. That agreement averted military conflict with Britain and the United State Mr. Annan said he believed that the

current crisis with Iraq could be resolved peaceably, however.

"I don't think we will need military forces," Mr. Annan said in response to a

# Congo Rebels Capture Port In the West, Widening War

By Howard W. French

ABIDJAN, Ivory Coast - Anti-govemment rebels in Congo seized control Thursday of a strategic oil port town in. the far western part of the country, according to rebel spokesmen and foreign diplomats, significantly widening their campaign to wrest power from President Laurent Kabila.

The seizure of the town, Moanda, an important oil depot southwest of Kin-shasa, along with the neighboring city of Banana, confirms the dramatic opening of a second front in a five-day-old war that notil now had been largely confined to the country's far-eastern regions.

On Tuesday, the Congolese government said the rebels hijacked a Boeing 707 aircraft in the eastern part of the country and flew it 1,600 kilometers (1,000 miles) west, to the town of Kitona where soldiers from the defeated army of the late President Mobutu Sese Seko were being retrained for service in Mr. Kahila's army by trainers on loan from neighboring Rwanda.

Although it has consistently denied any involvement in the current fighting, according to Western diplomats, Rwanda, which backed Mr. Kabila's overthrow of Mr. Mohutu 15 months ago, has emerged as a major backer of the new anti-Kabila rebellion.

In his first public appearance since the outbreak of the rebellion in the eastern border cities of Goma and Bukava on Sunday, Mr. Kabila threatened at a news conference in Kinshasa to "take the war back to Rwanda, where it came from." Relations between Mr. Kabila and his

former allies have broken down over a number of issues that once united them, including Mr. Kabila's gradual marginalization of Congolese Tutsi - the ethnic consins of Rwanda's own leaders in his government, and the failure to

suppress anti-Rwandan guerrilla activity in eastern Congo.

Responding to Mr. Kahila's threat
Thursday, a Rwandan government
spokesman told the BBC: "Aren't they putting the cart before the horse? Hadn't

they better take care of their problems with the rebels?" The opening of a western front so near to Kinshasa comes as bleak news to Mr. Kabila, who has already lost nearly all of the international friends — from Washington and other Western capitals to many of the leaders of central and south-

ern África — who supported his armed drive for power. Although heavy fighting was said to be still under way in areas southwest of the capital, any consolidation of their position in the southwest by the insurgents would enable them to interrupt electricity supplies from the huge Inga dam nearby and stop food and fuel deliveries to Kin-

### See CONGO, Page 12

Newsstand Prices					
Andorra 10.00 FF Lebanon LL 3,000 Antilles 12.50 FF Morocco 16 Dh Carneroon, 1.600 CFA Qatar 10.00 QF Egypt £E 5.50 Réunion 12.50 FF France 10.00 FF Saudi Arabia 10 SF Gabon 1.100 CFA Sanegal 1.100 CFA Italy 2,800 Life Spain 225 Ptas Nory Coast 1,250 CFA Tunisia 1,250 Din Jordan 1,250 JD U.A.E 10.00 Dh Kuwait 700 Fils U.S. Mil. (Eur.) \$1.20					



Security Council discussions on Iraq's

"It might be helpful to engage the iragis much more closely than we have hitherto done," he said, urging that their concerns be heard.

The secretary-general said he had spoken with Tariq Aziz, the deputy

spoken with Tariq Aziz, the deputy prime minister of Iraq, and that the Iraqi position was "not a closed one."

Talks over inspections broke down Monday when the chief UN weapons inspector, Richard Butler, refused to supply an immediate certification that live had described all of its weapons of Iraq had destroyed all of its weapons of mass destruction — chemical and hiological arms and long-range missiles.

Such a testimonial is necessary for the Security Council to lift economic sanctions imposed in 1990 after Iraq's invasion of Kuwait. The sanctions have crippled the Iraqi economy by banning the free sale of oil, the country's eco-

Mr. Butler has said that he was close to giving such approval regarding Iraq's chemical and missile programs but that he needed more information on biological weapons.

The U.S. ambassador to the United Nations, Bill Richardson, welcomed the Security Council statement, which was agreed to unanimously.

The United States is very pleased with the outcome of the meeting," Mr. Richardson said. "We were also very pleased with the forcefulness of the sec-

retary-general's hriefing."

Making good on its threat Wednesday to limit arms inspections, Iraq on Thursday banned surprise checks by the UN nuclear agency and stopped a team of weapons inspectors, telling them they could monitor only sites that had already been checked

Iraqi escorts refused Thursday to ac-See IRAQ, Page 12



Monica Lewinsky arriving at the courthouse Thursday.

# Lewinsky Testifies Before Grand Jury

# At the White House, Business as Usual

By Brian Knowlton

WASHINGTON — The investigation that has gripped Washington for months entered its endgame Thursday, as a solenin Monica Lewinsky, encircled by uniformed U.S. marshals, was whisked into a federal courthonse here to answer questions about her alleged sexual

relationship with President Bill Clinton.

Ms. Lewinsky, 25, smiled wanly, appearing visibly nervous as she climbed ont of a shiny hlack sports-ntility vehicle. She wore a dark blue suit and a white blouse.

She was silent as she entered the courthouse through a side entrance, amid a furious whirting of shutters from a sea of tripod-mounted, long-lensed cameras camped yards away. More than a hundred reporters and cameramen were on hand, some from Europe and Asia. Their trucks, vans and satellite dishes lined Constitution Avenue for a block; their cameras and white-topped tents filled the sidewalks. Inside, Ms. Lewinsky was allowed to use a

back elevator normally reserved for judges. Grand jury deliberations are secret, and there was no indication of what Ms. Lewinsky said Thursday. But she was expected to tell prosecutors and the 23 grand jurors that she

and Mr. Clinton had had a sexual relationship, beginning when she was a 21-year-old intern at the White House, and that he had discussed in hypothetical terms ways for her to conceal it.

The independent counsel Kenneth Starr is examining serious charges of perjury, suborna-tion of perjury and obstruction of justice against Mr. Clinton, who has denied any wrongdoing.

Prosecutors leading the questioning Thurs-day did not include Mr. Starr himself, court ources said. The independent counsel is said,

Lewinsky emerges from seclusion. Page 3.

however, to want to complete Ms. Lewinsky's questioning quickly, perhaps in three days or

On what potentially was a day of peril for the Clinton presidency, aides at the White House described a business-as-usual atmosphere.

Mr. Clinton, appearing relaxed and com-posed, spoke 10 a Rose Garden gathering about gun control. When his speech ended, the Marine band burst loudly into music and a smiling Mr. Clinton, turning to shake hands with the uniformed police officers behind him

See CLINTON, Page 12

# **House Panel Cites Reno in Election Fund Inquiry**

WASHINGTON - A House committee voted Thursday to cite Attorney General Janet Reno for contempt of Congress for failing to turn over reports recommending that she seek an independent counsel to investigate cam-

paign fund-raising abuses.
The panel moved to the extraordinary confrontation on a 24-19 vote. All Repohlicans supported the motion. Eighteen Democrats plus Bernard Sanders of Vermont, an independent, opposed it. these documents," said Representative Dan Burton, Republican of Indiana, chairman of the House Government Reform and Oversight Committee.

Representative Henry Waxman, Democrat of California, denounced the action as "political theater."
"This odious threat of contempt is

heneath contempt," he said.

Mr. Burton said a vote by the full House on the panel's recommendation to cite Ma. Reno for contempt would not

The Dollar

Thursday & 4 P.M.

1,772

144,275

5.942

The Do

a,577.68

1,089.64

1.7695

143.95

5.9335

percent change

+ 0.36%

+ 0.76%

"The committee has a need to see come before Congress's August recess, and he held out bope that Ms. Reno would turn over the reports before

> The committee's insistence that she tum over the two memos, Ms. Reno later told reporters, constituted "a form of political tampering that no prosecutor in America can accept" and could jeop-

ardize the ongoing investigation.

We will try our level best to see that an accommodation is reached," Ms. "But I simply have to draw a line and stand up for what I believe to be a very important principle: Prosecutions in America must be free of political in-

If the House approved the contemp citation, the matter would go to the U.S. District Court for the District of Columbia to determine whether a contempt order should be issued. If the court issued a contempt order, Ms. Reno could be subject to a year in prison and a

HORSE CHARGE — An Israeli mounted policeman knocking down an ultra-Orthodox protester Thursday, sending his hat flying, as a group sought to obstruct road building on the site of ancient graves.

in the British scientific journal Nature,

urdays than on Mondays

Atlantic Coast precipitation.

start leveling off Sundays.

showed 22 percent more rainfall on Sal-

Randall Cerveny and Robert Balling, Arizona State University climatologists,

said pollution has a direct impact on

They said coastal rain levels increase

The human week is not a natural

between Thursdays and Saturdays and

time period," said Mr. Balling. "Hu-

man effect oo weather is the only ex-

AGENDA

As If You Didn't Know This Already . . .

Page 7.

... Page 8.

Pages 6-7.

Pages 4, 9.

Pages 20-21.

# Asia Is Not the Only Place Carmakers Face Trouble level of about 15 million vehicles

By John Schmid International Herald Tribuna

FRANKFURT - Blindsided by economic recession across Asia this past year, North American and European carmakers now are facing contractions in their home markets, analysts and industry executives say.

'The golden years are over," said Robert Halver, an analyst in Frankfurt for Delbrueck & Co.

Such a pullback after seven years of growth could hasten the wave of mergers and acquisitions among automakers, particularly in the crowded European car sector, analysts say.

Bernd Pischetsrieder, chairman of BMW, was among the first executives to issue a warning. The German car market — the biggest in Enrope — has just peaked, he told German media, adding that the U.S. auto market would enter a "crisis" by the year 2000.

Analysts generally agree with him, particularly over the expected downturn in the United States. Not all predict a full-blown "crisis," but some expect cars sales to drop by as much as 6 percent to 7 percent next year from the current

"It is widely felt among investors that the next move in the U.S. vehicle market will be down," said John Lawson, an analyst in London with Solomon Smith Barney. "The fact that Mr. Pischetsrieder said it gave it greater credibility."

In Europe, where government incentives in nations such as Italy have expired, Juergen Roethig at the Frankfurt

Mixed German jobs data. Page 13.

hank B. Metzler & Co. estimates that "the downturn in 1999 will exceed 3 percent in volume" from about 13.5 million vehicles currently.

Figures released Thursday show that the looming U.S. downtum already is playing a role in the proposed Daimler-Benz takeover of Chrysler. In a filing with U.S. regulators, the companies said that Daimler's pretax earnings would more than triple, overtaking Chrysler's within two years. Analysts attribute the discrepancy to the conditions in the respective home markets.

See AUTOS, Page 8

# Rebuke to Arafat: 2 Quit

### Leadership of Palestinian Authority Is Assailed

By Douglas Jehl New York Times Service

JERUSALEM - In a fresh sign of dissatisfaction with Yasser Arafat's governance, two of his cabinet ministers resigned Thursday to protest what they said had been the Palestinian leader's failure to address internal problems within the Palestinian Authority. The resignations came a day after Mr.

Arafat stunned many members of the

Palestinian Legislative Council by unveiling a long-postponed cabinet shuffle that failed to address their calls on him to root out graft and mismanagement

One who resigned was Hanan Ashrawi, one of the most prominent Palestinians on the international stage. The other was Abdul Jawad Saleh, who had voiced disgruntlement with Mr. Arafat before but who went on Thursday to accuse the Palestinian leader of blocking his own efforts to crack down on corruption.

When I fought corruption in my own ministry, I referred some of the high-ranking officials to the attorney general." Mr. Saleh, former agriculture minister, said. "The chairman himself interfered to stop any legal proceedings against them.

Mrs. Ashrawi said that her relationship with Mr. Arafat was "based on mutual respect" but complained that changes within the Palestinian authority meant that "decision-making has in a sense been reduced to a few people."

The resignations were a new blow to Mr. Arafat's prestige, which has suffered since his return from exile in 1994 to become chairman of the Pal-

## 50 Years After Her Babies Died, a Mother Is Arrested a Philadelphia housewife and part-time factory worker dren may have played a role in this. We really don't

By John J. Goldman Las Angeles Times Service

WASHINGTON (AFP) - Two

American scientists have confirmed

what many workers already knew: It

Their statistics, published Thursday

rains more on weekends.

The IHT on-line

Crossword ..

The Intermarket

Sports ...

NEW YORK --- For decades it was a great medical mystery - how eight young children from one family could die so suddenly and so swiftly. One by one, limp and blue in the face, they were rushed too late to hospital emergency rooms.

Some coroners suspected it was heart failure or crib death, now known as sudden infant death syndrome. Autopsies seemed ioconclusive. But other medical examiners and detectives suspected, sometimes privately, that it was something far more sinister. After a Life magazine story in 1963, Marie Noc -

became for a time perhaps the most famous bereaved mother to America.

On Wednesday, murder charges were brought against Mrs. Noe, now 70. She was accused of suffocating eight of her 10 children, beginning half a century ago.

Her other two infants died of natural causes, authorities said. 'For years, it was treated as unexplained," said

Philadelphia's district attorney, Lynne Abraham, who announced the indictment for first-degree murder. What really is telling," she said, is that "our refusal or our unwillingness to believe moms kill their chilwant to believe moms can kill their kids.

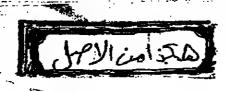
Mrs. Noe has given a statement, the district attorney said. "She admitted she smothered four of the eight. The other four, she said she either didn't remember how the children died, or the specifics of how they

David Rudenstein, a lawyer for Mrs, Noe, said she had denied the charges.

Police said Mrs. Noe's husband, Arthur, a machinist who also beld low-level political jobs, was not at home at the time of any of the deaths. He was not charged.

See M()THER, Page 12

See PALESTINE, Page 12



# From Sleeping in a Train Station to Writing About It

By Barbara Stewart New York Times Service

EW YORK -- "I slept there," Lee Stringer said recently, gesturing to-ward the space beoeath a stairwell on Track 109 at Grand Central Terminal. "And down there." Lying flat on his stomach and leaning over the edge, he peered down. His head nearly grazed the wheels of an idled railroad passenger car. "Inside," he said, "where the electrical wires are, and the ventilation ducts

and the water pipes."

It was in there, a decade ago, that Mr. Stringer began his journey from homelessness and crack addiction to unlikely literary success.

Bored and out of crack, he pulled out a stick he

Bored and out of crack, he pulled out a stick he used for scraping resin from his pipe and inspected it for traces of the drug, He realized something: the tool was actually a pencil. "I mean, it's got lead in it and all," he later wrote. "And you can write with the thing." Pulling out an old composition book, he gave it a try. "I'm scribbling like a maniac, heart pumping, adrenaline rushing, hands tremhling," he wrote. And reading the story over, he realized something else: "I may be a crackhead, but I can write."

Today, Mr. Stringer is the well-reviewed author of "Grand Central Winter," a memoir of those years of homelessness. Which is how this former crackhead came to be guiding a reporter through what is left of an underworld in the newly spiffed-up Grand Central, Striding as jauntily as an alumnus touring his old college campus, he pointed out his hideaways and re-minisced about his former life and how his

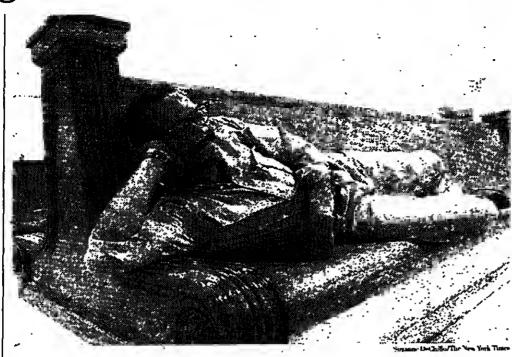
writing had rescued him from it.

Since his book's publication last month by
Seven Stories Press, there has been lavish praise
from reviewers and from the likes of Kurt Vonnegut, who declared Mr. Stringer "the new Jack London" after reading the manuscript. In the foreword that he ultimately wrote, Mr. Vonnegut described Mr. Stringer as "a self-educated storyteller of the first rank."

There have been weeks spent promoting the memoir on television and radio on both coasts. "Grand Central Winter" is the 48-year-old Mr. Stringer's chronicle of his 10 years spent migrating from street to park to terminal — the makeshift beds, the can collecting and crack smoking, the weeks in a prisonlike city shelter. and the encounters with police, with other addicts and with Geraldo Rivera for a televised interview with the homeless.

By his own account, at least, he was a fairly successful strategist of homelessoess. "I had tons of blankets and old clothes and

candles," he recalled over lunch in Grand Cen-



Lee Stringer stretching out on a bench in Grand Central Terminal, his former home. I may be a crackhead, but I can write, he thought - and he proved it.

tral's Oyster Bar, adjacem to, but a world away from, his old life. There were also piles of paperbacks left by commuters.

"Mostly Clancy and Grisham, popular stuff," he said, "but I found Ibsen and Tennessee Wil-

ACH DAY, he would collect cans, part of a routine as predictable as any commuter's. "I'd go up and down the empty cars, collecting," he said. "I'd make somewhere between 40 and 70 hucks a day." He

would then cart the cans to a grocery store. The cash bought a day's supply of crack, which he smoked piece hy piece while prowling

By early morning, when the crack and the high were gone, he would return to Grand Central, jump down on the tracks and squeeze through the little metal door into his cuhhyhole to sleep until afternoon. "Then up again," he said cheerily, "in pursuit of a buzz."

Despite the squalor, Mr. Stringer writes of himself and his experiences with a hit of distance, a sardonic edge, as if he had lived this way in order to write about it. His writing is edgy and

pointed and sometimes startlingly funny.

He became homeless in 1985, after a year in which his younger brother died — probably of AIDS, he said. A drinking buddy offered him a rock of crack cocaine to smoke. This, he wrote, is what he felt: "Success, love, orgasm, omni-potence, immortality and winning the lottery all

But after a couple of minutes, he said, he crashed "It's like death," he said. After months of chasing the high, he lost his job designing logos and writing advertising copy for a small marketing company, quit paying rent on his Upper East Side studio and was evicted. Unexpectedly, he felt liberated.
"I'm on the street," he wrote in his memoir,

'clutching a voucher for all that remains of my worldly possessions. Only instead of feeling put out, I feel strangely relieved. Elated even, I have just been released. I realize, from all earthly claims upon me. There is nothing, any more, that I am obliged to do. No one, any more, I am

required to be." But, he says, he was always confused about

who be was. Growing up in Mamaroneck, New York, just north of New York City, he says, he felt out of place: poor, on welfare and hlack in overwhelmingly white, well-to-do Westchester

Although obviously bright, he was an erratic student and could not afford college. After taking a course in camera operating at a trade school, he was hired, and rapidly fired, partly because of the market, and partly because of his temper, from television stations in Detroit and Dallas. In New York, he found work writing

copy and doing graphic design.

But he was not yet ready to write anything substantial, from the heart, he said. "It's corny, hut I didn't have a writer's soul back then," he said. "I was disconnected from myself for years and from other people. I was in search of something to write about."

OMELESSNESS and addiction gave him that. "He found his subject," said Daniel Simon, his publisher. "Drab and miserable as it was, for him it was

What he needed was a forum, which he found in The Street News, the weekly tabloid created in the early 1980s. While it was intended to he a voice for homeless people and causes, its main purpose was as a source of income for homeless people, who sold it on the street and in subways. Mr. Stringer's writing began appearing frequently in The Street News, and eventually he

was writing most of its copy.

His chance for redemption came in 1994, when a subway train carrying his future publisher stalled. Stuck between stops, Mr. Simon of Seven Stories Press read a copy of The Street News cover to cover. After he got outside, he called Janet Allon, who was the paper's editor at the time, and praised Mr. Stringer's writing.

Almost immediately, Mr. Stringer called back

to ask for a book contract.

'I was thinking, 'Money for crack,'' Mr.
Stringer said, "And there was a lot of ego."

Mr. Simon agreed without hesitation. "Lee,"
he said, "is a real writer. I knew he would have

some difficulty completing it. But I didn't know

how much difficulty."

After spending a \$3,000 advance on crack,
Mr. Stringer realized that he could not write
seriously while taking drugs. "I didn't want to
do this any more," he said. "But I didn't know
how not to do it."

He entered a drug treatment program, which took him 18 months to complete. After that, he

was able to get on with his writing.
"Writing was mine," he said. "It was the first
thing I could do on my own. It gave me back my

# **Toll Mounts** In China as Dike Plan Is Weighed

BEIJING - The government of China said Thursday that it was considering the last-ditch step of breaking open dikes along the raging Yangtze P. River to protect areas downstream, as the death toll from summer floods

The decision on whether to safeguard some areas by inundating others could come Friday, when a flood tide surging down the river approaches a major em-

down the river approaches a major em-bankment already weakened by weeks of floods and rain, officials said. While officials said they believed that such a step would prove unnecessary, the fact that they were considering it was an indication of the pressures wrought by the heaviest flooding along the Yangtze since 1954, when more than

30,000 people died.

The death toll this summer, announced at a government news conference Thursday, was 700 higher than previous figures. The floods have affected 240 million people, or one-fifth of the population, to varying degrees, said Fan Baojun, deputy minister of

civil affairs. About 90 percent of the victims died in mountain floods and landslides that swallowed houses and villages, he said. Nearly 14 million people have been evacuated, and 5.58 million houses have been destroyed, with another 12 million

houses damaged, he said.

Main embankments that hem in the Yangtze, the world's third-longest river, so far have held firm, protecting mil-lions of people and rich farmland from its waters.

But a flood peak, the fourth to barrel down the river this year, was expected to reach the weakened Jingjiang dike in . Hubei province, central China, within two days, raising the question of whether to flood an area south of the dike to protect the levee itself and other areas downstream. Water levels near the dike. were at a record high, state-run media

On Wednesday, two days after the end of the period covered hy the latest death toll; a levee that protected 35,000 people near Jiujiang city, along the Yangtze in southeast China, gave way, but officials said Thursday that there were oo reports of casualties.

### ■ 206 Lost in South Korea

Torrential rains pounded South Korea, raising to 206 the number of people killed or missing from toudslides and floods, officials said Thursday, Reuters reported from Scoul.

More than 12,000 people were left: homeless and some 111 buildings and 44 roads were destroyed or damaged. the national disaster headquarters said. Full damage estimates were not yet

At least 74 people were dead and 36 missing after the deluge Wednesday night and Thursday, the agency said. This added to the misery over the weekend, when floods and madslides left 64 people dead and 32 missing.

'It's of historic proportions. This is: the first time so many people were killed and lost in such a short period of time," an official with the disaster agency

Most northern outlying areas of Seoul and some parts of the city were cut off from utilities and communications, he.

# **Woodland Fires Cause Emergency in Greece**

The Associated Press ATHENS - A state of Athens, a man was found emergency was declared Thursday in the greater home. Athens area and in a southern prefecture as wind-whipped hrushfires killed at least one person and threatened the ancient site of the Olympics.

Firefighting aircraft and personnel arrived from Italy and France to help battle the fire," said Panagiotis hlazes that engulfed homes Fourlas, the regional fire the country's firefighting forces to the limit.

Officials declared a state of emergency in the southern the fires rekindling.' Greek prefecture of Ilia, in the fire came within a kilometer of Ancient Olympia.

On Mount Pendeli, near hurned to death inside his

A state of emergeocy was called for all of Attica, the province that includes Athens and the main port, Piraeus. More than half of Greece's 11 million people live in Attica. We have some control of

across Greece and stretched chief. "But we can't say we have it under full cootrol yet because of this wind. We're very worried about some of

Electricity pylons and



Residents of a wooded suburb north of Athens fighting a fire Thursday. tons.

# TRAVEL UPDATE

### Aeromexico Plans to Double Fleet

MEXICO CITY - Aeromexico will spend about \$700 million over the next five years to double its fleet.

The Mexican flag-carrier plans to have 120 planes by

The airline currently operates 310 flights a day, 270 of which are domestic. The remaining 40 cover the United States, Europe and Latin America. (AP)

### Delta to Add Flights on East Coast

NEW YORK - Delta Air Lines Inc. announced plans Thursday to add flights between its Atlanta huh and the largest husiness markets along the East Coast, including New York and Washington. A new flight to Chicago is also planned. The nation's third-largest airline said the flights would begin in the antumn and include new hourly service to Boston

American Airlines is implementing a computer program that will let a select group of customers give spoken in-structions during calls to the airline, eliminating the need for them to issue commands with Touch-Tone telephone hut-

# 'King Arthur's Stone' Is Dug Up at a British Castle

TINTAGEL, England — wall in the southwest of Eng-A stone bearing a Latin in-scription referring to the a 60-year archaeological dig. semilegendary British leader A spokesman for the pre-King Arthur has been found servation trust English Her-

(35 centimeters) by 10 inches, the former Roman fortress was found at Tintagel Castle, was "the find of a lifetime."

on the northern coast of Corn-wall in the southwest of Eng-

at the ancient ruined castle
where he is supposed to have
been born.

itage, which was conducting
the dig, said "Arthur's
stone" was found in a drain. The piece of slate, 14 inches He added that the discovery at

Arthur is said to have ruled the west of what is now Engsixth century. Stories from the eighth cen-

a council of his knights at a discovery of the slate. round table and how he was of his knights, Lancelot.

The excavations have shown that after the Romans land after the departure of the left there was some sort of Romans sometime in the royal headquarters at Tintagel, and the proposition that this was Arthur's birthplace tury relate how Arthur formed will be strengthened by the

Opinion on whether Arthur. betrayed by his wife and one really existed is still divided, although scholars generally The idea that he was born at accept the existence of a Tintagel first emerged in the chiefrain of mixed Roman

stories of an anooymous 12th- and British parentage who led century writer, the English the forces of British kings Heritage spokesman said. against Saxon invaders. This way to THE INTERMARKET

WEATHER North America Еигоре

Moety surry, dy and very Moety surry, dy and very warm in the Northeast this weekend, then maybe thunderstorms Monday. The surred thunderstorms Monday, the surred thunderstorms with heavy downpours are fixely from the southest to till state and to the the West, Steamy in the Southeast with seat likely in Norwey/Monday. State and thund with some surred thunderstorms.

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# Lewinsky Slowly Sheds ina Her Surreal Seclusion

Plan Start of Testimony Is Step Toward Freedom

By Peter Baker

WASHINGTON - She likes antiques, but what Monica Lewinsky wanted for her 25th hirthday was not so simple. "My freedom," she told friends and relatives. "My life back." So she got a special treat as she celebrated two eeks ago: A pair of old friends secretly asited her at her father's Brentwood, California, borne.

For the central figure in a presidential scandal, it was a rare gift. Over the last six months, she could not so much as call up a girlfriend for fear that her phone might be tapped or the friend subpocnaed. Once when she tried, a former schoolmate soon found herself

talking with the grand jury.
Thursday marked the beginning of the end of her life of surreal seclusion. Exactly 202 days after investigators confronted her at the Ritz-Carlton at Pentagon City in Northern Virginia, Monica Samille Lewinsky's day in court arrived, her chance to say under oath what level of intimacy she had had with President Bill Clinton and whether or not he in any way

sought to thwart the legal process in the

Paula Jones sexual harassment lawsuit.

Ms. Lewinsky's appearance before the grand jury called by the Whitewater inlependent counsel, Kenneth Starr, came after a half-year odyssey that made her the nation's most famous former intern and exposed virtually every corner of her life to public examination, from her pur-ported sexual habits to her troubled family history to her youthful indiscretions. It has been a journey that some might say was of her own making, but one that she certainly never fully anticipated.

She has been called a tart, a bimbo, a stalker, a femme fatale. Her first lawyer told anyone who would listen that she was immature and would "tend to embellisb." Some people who once were ber friends have gone public disclosing her confidences.

While much of her daily life during the investigation has been shrouded from the public, six months of interviews with people close to ber provide a glimpse of her current reality.

Holed up in her Watergate apartment for days at a time, Ms. Lewinsky has gead scores of newspapers and watched dours of television as people who have never met her speculated endlessly on talk shows and in the daily press about who she is and what she did. The urge to fight back had to be suppressed, alturned her in to Mr. Starr, Linda Tripp,

Friends were paraded through the grand jury. Her mother broke off her own testimony in February, saying she was too distraught to continue. Investigators scoured her phone bills, rum-maged through her closets, read her letters and e-mail, obtained her bookstore

purchases and searched her computer. What Ms. Lewinsky kept from them, until recent days, was the navy blue dress now being tested by the FBI for semen stains. The dress was brought to New York late last year by Ms. Lewinsky as she was job hunting and was left --- never unpacked - in the Manhattan apartment of her mother, Marcia Lewis.

Ms. Lewinsky finally turned it over last week as part of a deal that provided full protection from prosecution for not only herself but also Ms. Lewis and her father, Bernard Lewinsky.

Since the day her name first became public in January, Ms. Lewinsky has lived an odd double life, according to people close to her — at once exceedingly public yet also achingly lonely. e smiled for the cameras that fol-

lowed her everywhere. She posed for Vanity Fair magazine, a session arranged by ber then-lawyer, William Ginsburg, to free her imprisoned "li-

bido," as he put it.

But that belied the depressing isolation imposed on her by her new legal team of Washington veterans, Plato Cacheris and Jacob Stein, who have instructed her not to talk with virtually everyone other than lawyers and relatives.

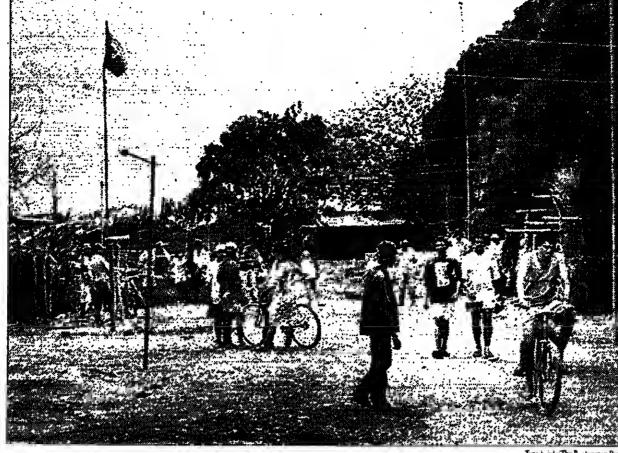
She was advised not to use the gymnasium at the Watergate because people might take photos and sell them to tabloids. While she escapes at times in a blond wig, sunglasses and baseball cap, she leaves it to friends and surrogates to huy her groceries or personal items.

While her lawyers were negotiating to save her from possible perjury or obstruction of justice charges, Ms. Lewinsky took up knitting scarves, with belp from her father's wife, Barbara.

She was not able to attend her mother's secret wedding in New York last spring because the family feared that she would be spotted and media cameras would crash the small, private affair. · Her parents are reported to be han-

dling ber six-figure legal bills. Ms. Lewinsky has escaped several times to her father's place near Los Angeles, where media coverage has been less intense. Traveling, though, is still an adventure. In addition to the disguises, Ms. Lewinsky's camp usually consults with airline special service officials, makes reservations under false names and then switches them just before boarding to comply with federal regulations.

After her meeting with prosecutors in New York last week that led to her immunity deal, she and the family spokeswoman, Judy Smith, drove all night to Washington to sign it because the airports and train stations were reported to be staked out by camera crews.



Settlers in an encampment in Brazil, called Agroisa, which was taken over by Sem Terra three weeks ago.

# Bringing Hope to Brazil's Landless

Using the Constitution, Movement Helps the Poor Found Settlements

By Anthony Faiola Washington Post Service

NOSSA SENHORA DA CONCEI-CAO ENCAMPMENT, Brazil — Rose Marie da Silva recalls being cold, bungry and desperate the morning that she and 200 others invaded this oncethriving ranch on the Sao Francisco River. It was bours before the land's legal owner discovered the squatters makeshift tents and by then they were firmly dug in. Now, months later, their settlement has a name - and, they hope, a sense of permanence.

'Nothing will get me off this land now.' said Mrs. da Silva, 34, who added that for the first time in her life she feels like a landowner. The land invasion here in the

verty-stricken northern region called the Sertao, which took place last summer, was orchestrated by one of the most active and controversial forces in Brazil's political life: the Landless Movement, known in Portuguese as

the Sem Terra. Some consider the Sem Terra a group of dangerous insurgents because of the passions they have ignited in Brazil's estimated 2 million landless families. many of whom are returning to the countryside after trying unsuccessfully to carve out lives for themselves in the mega-cities of Sao Paulo, Rio de Janeiro

The movement's growing numbers are prompting headlines across Latin America as they organize marches on the capital, invade land beld by the wealthy, hijack food trucks and stage takeovers of banks and government offices in their own brand of economic

'We agree that there must be land reform, but the Sem Terra have a complete lack of respect for the law," said Luiz Hasers, president of the Brazilian Rural Society of Landowners. "Their path of reform is the path of chaos and

Yet, there is method in their "madness." To justify its actions, the Sem Terra, which grew ont of radical elements of the Roman Catholic Church in the 1980s, use Brazil's updated constitution, which mandates that unproductive land can and should be taken

over by those willing to cultivate it.

Although its members sometimes have been accused of invading productive property, the Sem Terra mostly tar-

get land that the rich have abandoned. In the 1990s alone, the group has staged more than 51g invasions, settling to peasants in exchange for votes, the 151.427 families on 53 million acres (21.4 million hectares). Many Brazilians regard the squatters as heroes, modern-day Robin Hoods in a nation where

of the arable land. At more than 600,000 members, the Sem Terra is one of the most powerful grass-roots political movements in Latin America and has become an international cause célèbre, attracting dona-

4 percent of the people own 50 percent

I fought for this land, and look, I have my dream — a house and a little piece of land that is mine,' says Jose Ferreira de Lima, 47, a Sem Terra farmer in Safra. 'I am the owner of myself now.'

tions from Europe, North America and beyond. And despite its propaganda, which runs to Che Guevara posters and emblems reminiscent of old Soviet farm collectives, its ideology is closer to capitalism than communism. Invading families work for ownership of land, not as members of a commune.

At the national level, the movement's university-educated leaders have torned the Sem Terra into a fashionable brand name, winning the hearts of millions, and earning substantial profits, with Sem Terra teas, gourmet coffees, Tshirts and souvenirs.

Brazil's past," said Neuri Rosseto, a Sem Terra national director. "We are redistributing wealth because the government won't."

Their latest battleground is bere in the Sertao, a poverty-stricken region that is experiencing one of the hemisphere's most severe food shortages. Unlike most of this lush, tropical country, the Sertao is harsh and dry. Its soil is almost like desert sand, yielding its nutrients only with man-made irrigation systems that the poor residents, descendants of African slaves, American Indians and Portuguese laborers, cannot afford.

The region suffers drought seven months a year, and subsistence farmers live off the sprinkles that follow. But the weather phenomenon known as El Niño has prolonged the drought for 18 months, with no end predicted until December. to peasants in exchange for votes, the

situation has become desperate. For that reason, Mrs. da Silva was an eager listener when the Sem Terra came to her desert town on a recruiting mission last year, Although off-duty police hired by land barons in the Sertao have killed several Sem Terra members since last year, Mrs. da Silva, like thousands of others, was willing to take a chance for what she termed dignity.

We still don't have food every day, but we do have one thing," said Mrs. da Silva, her face serious in the scorching midday heat, as ber children clung to her red cloth skirt. "We have hope, That's something I've never had since the

Mrs. da Silva grew up without a home, sleeping under the stars with ber parents, descendants of former slaves, who labored in the fields of a land baron in Pern-

ambuco state. "I suffered during my childhood," said Mrs. da Silva, who is 34 but looks to be in her late 40s, about the average life expectancy for people

Life at Nossa Senhora da Conceicao is not easy. The cluster of 71 families is suffering through one of the hardest stages of the Sem Terra settlement process. As lawyers fight to get them legally recognized, a process that can take up to three years, they live in a fetid village of open sewers and mud huts. They regularly are threatened by security guards working for the landowner.

More advanced camps of the Sem Terra have evolved into thriving communities, with their own schools, wellstocked medical clinics, irrigation systems and crops grossing millions of

dollars annually. In Safra, a Sem Terra settlement only 20 miles (32 kilometers) away that was established in August 1995, the government has recognized residents as new landowners. They now have coment houses, tiny markets, irrigation systems and schools for their children.

"I never learned to write my name, but now my children are in school and one of them wants to be a journalist," said Jose Ferreira de Lima, 47, a Sem Terra farmer in Safra. "I tell him, 'Fight for it.' I fought for this land, and lonk, I have my dream — a bouse and a little piece of land that is mine. I am the owner of myself now.

### POLITICAL NOTE

### House Blocks Ban On Gays Directive

WASHINGTON - The Honse has soundly rejected a measure that would bave blocked President Bill Clinton's directive banning job dis-crimination against federal workers who are gay.

In an emotional, heartfelt debate that prompted some conservatives to side with liberals, the House voted, 252-176, on Wednesday to cast aside the amendment, rejecting arguments that Mr. Clinton's measure would lead to affirmative action for homosexuals. The vote also revealed a degree of discomfort among some Republicans toward the party's recent radical salvos against bomosexuality.

"If a person does an honest day's work for an honest day's pay, that's all I can ask," said Representative Tom Bliley, Republican of Virgin-ia, who added that he "unequivocally opposes" discrimination.

Representative Joel Hefley, Republican of Colorado, was attached to a spending bill and would have undone a May 28 executive order by Mr. Clinton that adds homosexuals to the groups that may not be discriminated against in federal employment. The order sought to make uniform a federal employment policy that is already in effect at many agencies.

### Oil-Lease Plan

WASHINGTON - Seeking a balance between oil development and the environment, the Clinton administration announced Thursday it would open nearly 4 million acres of a federal reserve on Alaska's North Slope to oil development.

Interior Secretary Bruce Babbitt said that a portion of the most ecologically sensitive part of the re-serve would be off limits to drilling, including a strip of coastal marshland that environmentalists consider critical for millions of migratory birds and other wild life.

"This is a good plan based on sound science," Mr. Babbitt said. We have barred or limited oil and gas development in key environmentally sensitive areas.

He added: "At the same time, we will be allowing oil and gas development on almost 4 million

Several oil companies, including Arco Alaska and British Petroleum, have expressed interest in drilling in the government reserve just west of the Prudhoe Bay oil fields.

Development of the reserve in far northern Alaska has been controversial for years. Conservationists fear that oil production will harm wetlands, lagoons and marshes that dot the reserve's coastal plain and each summer attract the migratory birds as well as caribou and polar bears.

But oil executives contend that the fields can be developed while at the same time protecting life and habitat. They also argue that unlike the Arctic National Wildlife Refuge farther to the east, the National Petroleum Reserve was set aside specifically for development 75 years ago.

### Quote/Unquote

Andrew Kohut, director of the Pew Research Center for the People and the Press, speaking Thursday about the U.S. public's perception of Monica Lewinsky: "She's not well liked and she's not much believed. But when we ask who do you believe more, the president or Monica Lewinsky, it's a puzzler for most Americans.

### **AMERICAN TOPICS**

The West's New Land Ethic

Outside dry, dusty Douglas, Arizona, Matt Magoffin, a cattle rancher, has been custom-built ponds and tanks on his 17,000-acre (6,800-hectare) rancb, a four-year-old effort to save a disappearing amphibian known as the

Chiricahna leopard frog.

A neighbor, Bill McDonald, works
with herpetologists in the hills above
his ranch to see if ridge-nosed rattlesnakes, an endangered species, are surviving fires set deliberately to regenerate desert grass. To the north, another rancher, Will Holder, does nothing to prevent a mountain lion from killing his calves. Instead, he markets the survivors as "predator-

friendly" beef.
It is all, reports the Los Angeles Times, part of a new land ethic taking ront in parts of the West, a mixture of altruism and self-preservation practiced by a small but influential group 'eco-ranchers.' Armed with science and founda-

tion money, they hope to showcase a form of ranching that is both economically viable and environmentally desirable. A ranchers group that includes Mr. McDonald and Mr. Magoffin has raised close to \$1 million to belp protect rare frogs, snakes, birds and

17-year-old high school students who

say they were denied membership in the

National Honor Society because they

were pregnant are planning to sue their school board in federal court here on

The American Civil Liberties Union,

which is to file suit for the girls Thurs-

day, says it sees the case as a way to seek

wider enforcement of federal laws ban-

ning discrimination against pregnant

The two girls, Somer Chipman and

Chasity Glass, both 17 and top students

at Grant County High School in Wil-

liamstown, Kentucky, are caring for their daughters. They will soon be en-

Ms. Chipman, whose 2-month-old daughter's name is Cheyenne, plans to many the father, a 21-year-old worker

at a shop that changes the oil in people's

ted ag their last year at the school

grounds of sexual discrimination.

high school students.

Is Pregnancy Dishonorable?

2 Students Who Are Mothers Sue Over Honor Society Exclusion

### Short Takes

After two decades of decline or stagnation, Catholic school enrollment is rising slowly. Nationwide, it is up 3 percent since 1992, to 2.65 milman Catholic schools have been built in the past 12 years. That compares with a loss of 3 million students and the closure of 4,200 schools from 1965 to the mid-1980s, according to the Washington-based National Catholic **Educational Association.** Educators attribute the renewal in part to growing discontent with public schools. The trend also is said to reflect a growing desire by parents to raise children in an

unapologetically moral environment. At the turn of the century, W.E.B. Du Bois, the black intellecmal and civil rights pioneer, proposed an ambitious project: the creation of an Encyclopedia Africana, a comprehensive history of Africa and people of African descent that be hoped would help defeat racism by cataloging blacks? contributions to civilization. Nearly 90 years later.

come a reality.
In February, Microsoft and a team of scholars working under the Harvard professors Henry Louis Gates Jr. and K. Anthony Appiah will release a CD-ROM titled Microsoft Encarta Africana. Later in the year, a print version containing 3,000 articles will be published by Perseus Bonks. There's never been anything like this before," Mr. Gates aid.

graduated, helps with child care and plans to join the National Guard.

Both girls, like many residents in their community, a rural, tobacco-grow-

ing area where alcohol sales are banned,

say that premarital sex is wrong but that

abortion would be a far greater sin.

Ms. Glass's lawyer, Sara Mandelbaum of the American Civil Liberties

Union, described the case this way:

Both girls have been exemplary stu-

ciety has been a lifelong goal.

marital sex.

Mr. Du Bois's dream is about to be-

Brian Knowlton

### **Away From Politics**

A day-old baby who was born in Milwaukee with her heart outside her

New York Times Service

Ms. Glass and her 15-month-old daughter, Shelby, live with Ms. Glass's mother. The baby's father, who just

• The 13 machinists and assembly technicians in Westerville, Ohio, who say they share the winning \$161.5 mil-lion Powerball lottery ticket bave not quit their jobs and do not plan to soon at least until someone can replace them. They have not even claimed their prize yet. The winners have 180 days from the July 29 drawing to present their ticket

"It's making a girl wear a scarlet P and bear the burden for something that is a joint activity. No boy is being left out of · Orlando, Florida, tops the list of metropolitan areas most deadly to pedestrians, according to a study. Two other the society for having engaged in pre-Florida city areas followed Orlando as the most dangerous for pedestrians: Tampa-St. Petersburg and Miami-Fort Lauderdale. The Los Angeles-Anadents, earning top marks in such courses as "advanced placement" English and chemistry, and have won local and state heim-Riverside region, because of its sheer size, had the largest number of pedestrian deaths and injuries, with 992 awards. Ms. Chipman and Ms. Glass say membership in the National Honor So-

### WWW.

body survived a five-hour operation to place the organ in its rightful place. Dr. Bert Litwin, who led four surgeons, was cantiously optimistic about the future of Jazmyn Hope Stumpf, who was in crit-

• A hermit crab called Crabopatra won the Cucumber Rind Cup — plus the right to crawl down a flower-bedecked ninway as more than 100 people sang 'Here it comes, Miss Crustacean' in the annual Miss Crustacean pageant in Ocean City, New Jersey. The 39 entries also featured Leonardo DiCrabrio and Tara Crabinski, which scurried on tiny paper skates in a shoe box decorated with aluminum foil to look like an ice

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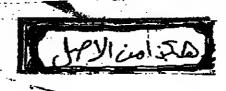
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THE WORLD'S DAILY NEWSPAPER



### ASIA/PACIFIC

# Japan Marks **Atomic Attack And Deplores Asian Testing**

HIROSHIMA, Japan - Thousands of people gathered Thursday in sweltering weather to commemorate the 53d anniversary of the world's first use of an atomic bomb and also to urge India and Pakistan to balt their nuclear weapons

Many in the crowd of 50,000 clasped their hands in prayer or held Buddhist rosaries as silence was observed at 8:15 A.M. — the time of the day the U.S. atomic bomb detonated and took the lives of 140,000 people, many of whom died over time from burns and radi-

Three days later, another atomic bomb destroyed the city of Nagasaki, killing 70,000.

In the presence of the Indian and Pakistani ambassadors, Prime Minister Keizo Obuchi of Japan condemned the two South Asian countries' series of nuclear tests in May, which cast a pall over international efforts to curb the spread of nuclear arms.

'It is very regrettable that both India and Pakistan carried out ouclear tests in May," said Mr. Obnchi, who took office in June.

The mayor of Hiroshima, Takashi Hiraoka, used strooger language in telling the crowd that those tests had raised tensions in South Asia and shaken the foundation of the world's ouclear nonproliferation movement.

"The people in Hiroshima feel a strong rage against the nuclear tests by the two nations and worry about inducing a chain reacoon of nuclear competition," he said. In major Indian cities, scientists,

writers, painters, students and workers demonstrated, warning that a devastation similar to Hiroshima's could happen in their region. "Both India and Pakistan now have

the capability to perpetrate the horrors of Hiroshima and Nagasaki oo each other, not once but many times," said a resolution by activists in New Delhi.

"The people of India and Pakistan must stop this madness which threatens us with mutual annihilation," the res-



Japanese praying Thursday in Hiroshima as commemorative lanterns float down the Motoyasu River.

# East Timor Talks Tied To Fate of Inilal T To Fate of Jailed Leader

Laureate Asks Indonesia to Release Him

CANBERRA — An East Timorese independence leader, Jose Ramos Horta, ruled out Thursday further talks on the future of the disputed region until a jailed resistance leader, Xanana Gusmao, is freed by Indonesia.

Mr. Horta, a Nobel Peace Prize laureate, welcomed an agreement reached Wednesday at the United Nations in New York between Portugal and Indonesia to open talks on autonomy for the former Portuguese colooy. It was annexed by Indonesia after a 1975 in-

Australia is the only country that recognizes Indonesian sovereignty over

East Timor. Mr. Hortz said he would take no part in negotiations until Mr. Xanana was

released. "They cannot pretend they are serious, that they want to solve the problem of East Timor and then do not wish to release Xanana Gusmao," Mr. Horta told Australian Broadcasting Corp. ra-

"Xanana is the only political leader

likely short-term option was wide-ranging autonomy.

### ■ 11 Mass Graves Reported

Eleven mass graves believed to hold the remains of about 500 people have been discovered in Indonesia's remote Aceh Province, a human rights group has said, The Associated Press reported

with real acceptance and credibility among the people of East Timor," he added. "Any decision without his in-

volvement, his imprimatur — it will be

rejected by the people of East Timor."
Australia's foreign minister, Alex-

ander Downer, refused to support Mr. Horta's call and said that demands for a

referendum on independence were ir-responsible and could lead to further

. Mr. Downer welcomed the talks, but

said Thursday that he would not in-

tervene to back Mr. Xanana's release. "I'm not getting into trying to micro-manage this," he said.
"Horta is one important figure in all

of this, there are a lot of other figures.

few weeks with a wide range of dif-

ferent leaders of what you might broadly describe as the East Timorese

community, although a lot of them are

overseas. There is a diversity of

Mr. Downer said be thought the most

'We've been consulting over the last

bloodshed in the territory.

Rufriadi, a lawyer with the Indonesian Legal Aid Foundation, said Wednesday that he and other activists were led to the graves during a visit last month to Indonesia's northernmost province, where a separatist rebellion has been going on since the late 1980s.

Villagers said the remains belong to cople killed by Indonesian troops during the eight years the province has been under military rule, Mr. Rufriadi said in a phone interview. He said that some villagers reported they had been forced to dig the graves at gunpoint.

The Indonesian military has long been accused of arbitrary killing and torture in Aceh, a strongly Muslim province aboot 1,100 miles (1,780 kilometers) continuest of Jakarta.

There was no immediate comment from the military oo the report of the mass graves.

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### BRIEFLY

### Taleban Enemies Advance

KABUL - Fierce fighting has left about 100 fighters from the Taleban militia dead in northern Afghanistan, the opposition alliance said Thursday, A spokesman, Abdullah, said alliance forces had recaptured territory from Taleban fighters near the alliance's key city of Mazar-i-Sharif and had taken

control of the strategic town of Borka to the south. A Taleban spokesman, Abdul Hay Muttayn, said he could not immediately confirm that the Islamic militia had lost ground in the fighting and had no information on casualties.

(AP)

### 2 Held in Taiwanese's Death

BELIING - Police in Haicheog, a city in oortheastern China, have arrested two suspects, ideotified as Huang Shidong and Zhang Shifeng, in connection with the July 27 kidnapping and murder of a Taiwan city councilor, a local Public Security Bureau official said Thursday.

The authorities said the suspects had kidnapped Lin Ti-chuan, 32, and her boyfriend along with two

Citing a confession by Mr. Huang, the official Xinhua press agency reported that Li Guangzhi, a businessman still at large, had organized the abduction in an attempt to force the boyfriend, Wei Tien-kang, to repay a debt. Things went wrong when Miss Lin began to suffer respiratory difficulties. She was taken to a hospital

and wheo she died, Mr. Huang fled the scene. The boyfriend managed to escape unharmed. Police are oow making all-out efforts to search for the other people who may be involved in the case," Xinhua said.

# Kashmir Border Falls Silent

SRINAGAR, India — Artillery fire ceased Thursday for the first time in a week along most of the disputed Kashmir border.

India reported artillery fire only in Kargil, in the mountainous Ladakh regioo 220 kilometers (140

THE INTERMARKET

major, P. Purushottam. "So far, there have been no reports of any casualties." (Reuters)

state summer capital.

For the Record

miles) oortheast of Srinagar, the Jammu and Kashmir

in the Kargil sector in early bours," said an Indian

Pakistan carried on mortar and artillery shelling

The citizens of Japan's ancient capital of Kyoto have rejected a plan to build a replica of the Pont-des-Arts bridge in Paris, Mayor Yorikane Masumoto said Thursday, French President Jacques Chirac had proposed the footbridge when he visited Japan in November 1996.

Nicholas Leeson's lawyer has appealed to Singaporean authorities to free the imprisoned securities trader oo compassionate grounds following the discovery that he is suffering from colon cancer. Mr. Leeson, whose futures dealings brought down the British merchant bank Barings, has served about two and a half years of a six-and-a-half-year term. (AP)

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### **EUROPE**

# S Tied Fierce Fighting Reported in Kosovo Release | Despite a New U.S. Warning, Serb Forces Pursue All-Out Offensive The Assurinted Press PRISTINA Yugoslavia a military operation to try to halt the consaid. "But there is a lot of serious mil-

PRISTINA, Yugoslavia — Serbian forces pursued an all-out offensive Thursday against contents of the first part of the fi Thursday against separatist fighters in new phase." Kosovo, despite a new U.S. warning of Western military intervention in the

troubled Serbian province. Serbian sources reported fierce fighting along the main Pristina-Prizren road southwest of Kosovo's capital, and clashes continued near the besieged village of Junik, close to the Albanian border,

Ethnic Albanians said Serbian forces were also shelling villages in the central Drenica region. Pantina, an ethnic Albanian stronghold oorthwest of Pristina, was also under attack, the Albanian

Speaking late Wednesday, the U.S. envoy Richard Holbrooke said the likelihood of intervention had increased dramatically as the Serb offensive continues, contrary to a promise last month from the Yngoslav president, Slobodan Milosevic, to halt military operations against Kosovo Liberation Army

Citing the latest wave of Serb vi-olence, which drove up to 200,000 ethnic Albanians from their bomes, the leader of Kosovo's Albanians and officials in neighboring Albania issued fresh calls for outside intervention.

Also Thursday, the European Union help refugees fleeing the fighting.

Albright Assails Serb Tactics

Steven Erlanger of The New York Times reported earlier from Washing-

Clinton administration has warned President Milosevic that his tactics are unacceptable and could prompt NATO air strikes against him.

Senior American officials said the warning was delivered as a personal message from Secretary of State Madeleine Albright to Mr. Milosevic by an American diplomat, Christopher

They emphasized that the North Atlantic Treaty Organization and the Pentagon were working quickly to finish plans for limited air strikes that could take place, if ordered, within a week or

But since NATO has not carried out any earlier threats over Kosovo, Mr. Milosevic may not take this warning seriously. He already has accomplished his aim of striking a serious blow to the

The pleas came as international sentiment remained split over a possible ethnic Albanian insurgency in Kosovo.

"The problem of the day is how to be credible," a senior American official

air power against Serb forces."

Mr. Milosevic is also likely to have approved \$5.5 million for Kosovo to , taken beart by the removal from Kosovo policy of the American special envoy, Robert Gelbard, who advocated a tough line against the Yugoslav president.

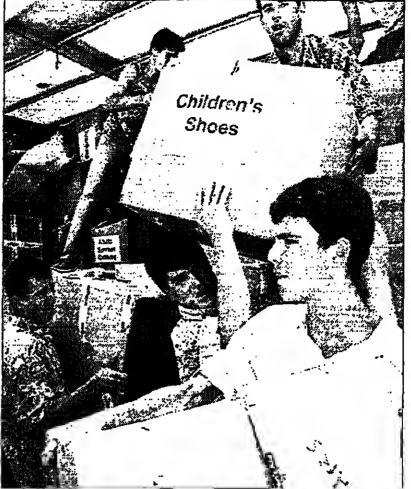
Mr. Gelbard was ordered by the White House and Mrs. Albright to stick to Bosnia, officials said. They explained the shift by the approach of important countrywide elections next month in Bosnia, and said too much of Mr. Gel-bard's time was being spent on Kosovo and not enough on Bosnia.

But some officials said Mr. Gelbard's shift was also a function of his sometimes impolitic advocacy of a tough stance toward Mr. Milosevic as the main destructive influence in the region, a stance that encompassed the threat of

But the White House has not been eager to get involved militarily in another part of the Balkans, its NATO allies are part of the Balkans, its NATO allies are split and some of them want a UN Security Council resolution authorizing any action, which Moscow pledges to veto.

Kosovo policy is now more clearly in the hands of Richard Holbrooke, the nominee for chief delegate to the United

Nations, and his longtime collaborator, Mr. Hill, now the ambassador to Mace-



Ethnic Albanian refugees unloading boxes from a UN humanitarian aid convoy in Lapshevo, a village southwest of Pristina, Kosovo's capital. based on an "informer.

# **EU to Examine Report on Mass Kosovo Graves**

Agence France-Presse

MADRID — The NATO secretarygeneral, Javier Solana Madariaga, firmly dismissed Thursday reports of mass graves in the war-torn southern Serbian province of Kosovo, but the European Union still wants a team of medical experts to make sure.

Speaking on a Spanish radio station, Cadena Ser, Mr. Solana said, "There are no mass graves of the type described in a newspaper.

Nevertheless, the EU asked Belgrade on Thursday to admit a team of medical examiners to Kosovo to verify that the graves do oot exist.

We want to say clearly to the Serbs. 'Allow our experts into Kosovo so that they can prove that there are no mass graves," said a spokesman for the Austrian foreign minister, Wolfgang Schuessel. Austria holds the rotating

The Austrian newspaper Die Presse reported Wednesday that journalists had seen "the bodies of more than 500 people, including 400 children," in one grave and about 1,000 bodies in another. The reports were subsequently denied by EU observers and a UN expert.

The author of the newspaper report has since admitted that he had not personally seen the graves and that the article was

Luc Van den Brande of Flanders'

# Flemish Leader Envisions a Confederated Future for Belgium

By Barry James

BRUSSELS — Although doomsayers predict that economic and linguistic contradictions in Belgium will eventually cause the nation to fall apart, the political leader of the richer, Dutch-speaking northern half of the country says he has no interest in beeding the siren call of nationalism.

Luc Van den Brande, the minister-president of Flanders, says his region has everything it takes to be a nation: a population of 6 million, larger than that of some countries in the European Union, good infrastructure, high educational standards and a thriving economy based largely on high-technology industries.

But is it useful in the new Europe to create new independent nation states?" be asked in an interview. "That is a 19th century concept. My only aim is to have a good position for the Flemings in the world and in Europe."

Mr. Van den Brande is also president of the Assembly of European Regions, and he maintains Luc Van den Brande of Flanders that the EU will develop increasingly along refavors a Belgium with no factions, gional rather than national lines, particularly after

common currency is introduced in January.

This means, he said, that Flanders will increasingly seek to defend its economic interests outside of Belgium — in the southern part of the Netherlands, for example, in southern England and northern France — rather than in the Frenchspeaking Wallonia in the southern half of the

This does not mean the Belgian partners must divorce. He said being in the same kingdom had added value in certain aspects. It made no sense, for example, for Flanders to have its own armed

These questions will come to the fore next year when Belgium resumes constitutional talks and bolds general elections. Mr. Van den Brande said he would push for the country to become a confederation of two autonomous regions. Thus if the Walloons choose to continue their policy of state involvement in industry, in contrast with Flanders's emphasis on private enterprise, he said, it will be entirely their affair. "We should each be

sign treaties and agreements with other states, and Flanders already has with Poland, Hungary, the Baltic states, Romania, South Africa and Chile. But the autonomy is illusory, as the national government raises taxes and redistributes income to the regions. Flanders raises only abour 10 percent

of its revenue from its own resources. "This is an irresponsible system," Mr. Van den Brande said. Mr. Van den Brande's proposal for a confederal Belgium faces two challenges. One is from the Vlaams Bloc in the Flanders region, an ultra-nationalist party that. Mr. van den Brande said he

hopes will be wiped out in next year's elections.

The other more intractable difficulty is the situation of Brussels, a multicultural, predominantly French-speaking enclave in the middle of Flanders. The expansion of the population into surrounding Dutch-speaking suburbs, and the decision by Flemish authorities to make it more difficult for the French-speakers to deal with the administration in their own language, are causing

free to go our own way," he said.

On paper, the Belgian regions already have a great deal of autonomy. They can, for example, same time, the French- and Dutch-speaking com-

main government offices bere. Yet in the evening, when ministries and offices closes, the vast majority of the Flemish workers return to their homes in Flanders.

Wouldn't it make more sense to move the Flemisb capital to Ghent or Antwerp? "No," Mr. Van den Brande replied. "Flanders needs Brussels, but Brussels would no longer be the capital of this country or even of Europe without Flanders." He rejected a proposal by Charles Pique, president of the Brussels region, that the city should become the official capital of Europe.

"It would become a foreign body." Mr. Van den Brande said. "It would disconnect a bridging alergent in this country."

element in this country.

Mr. Van den Brande's proposals for the future of Belgium run parallel with the developing debate within the EU about "subsidiarity," or who is responsible for what and at what level. It was not a question of creating a patchwork of regions, Mr. Van den Brande said, but of devolving political power to its most appropriate level.

"Unity in diversity is one of the pillars of European political union." he said.

### BRIEFLY

PARIS — Four people — three
French and one British — have died of
Legionnaires' disease in Paris since the

French Official Faces

Legionnaires' disease in Paris since the

Company of Labour Party members on beginning of June, French bealth an- Corruption Charge thorities said Thursday.

They said that 20 cases of the disease have been reported. Thirteen of the minister, Francois Leotard, will be invictims were out of danger, while three dicted Friday for money laundering and remained bospitalized.

The outbreak in central Paris apparently occurred during the World Cup soccer championships, which ran from June 10 to July 12. Half of the 20 cases were contracted between June 15 and 21, a statement said.

Testing of water and selected airconditioning units focused on Paris's ninth district, where 13 of the victims spent some time, and the second district, officials said. The ninth district covers the major department stores and the Opera Garnier, and attracts nnmerous tourists.

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PARIS - A former French defense illegal financing of a political party, the daily Le Monde reported Thursday.

Mr. Leolard and an aide, the centerright deputy Renaud Donnedieu de Vabre, will be placed under judicial examination, the report said.

They are suspected of moving 5 million francs (\$830,000) between Luxembourg and Italy for Mr. Leotard's now-defunct Republican Party. (AFP)

# Blairizer' Is Cleared

LONDON -- One of the most con- groups.

Legionnaires' Disease
Kills 4 People in Paris

Officials suspect that the bacteria that cause the pneumonia-like illness proliferated in water-cooling tanks on top of buildings. (AFP, Reuters, AP)

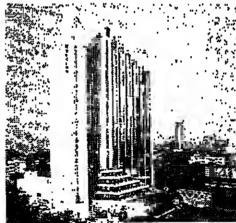
The inversal figures at the heart of Tony Blair's government, his unclected, state-paid press spokesman, was top of buildings. (AFP, Reuters, AP)

the committee refused to criticize Alastair Campbell's methods of securing the government favorable cov-

### Polish Cross to Stay

WARSAW — The Roman Catholic Church in Poland appeared Thursday to reject Israeli demands to remove crosses near the Auschwitz death camp.

Cardinal Jozef Glemp, the leading Catholic clergyman in the country, said he wanted to keep in place a large cross that was crected in memory of Pope John Paul's 1979 visit. But be gave no cine to the future of 50 smaller crosses recently planted by fringe Catholic





Hainan Mandarin, Haikon

# Todor Zhivkov, 86, Deposed Bulgarian

By David Binder New York Times Service

Todor Zhivkov, who as the Communist ruler of Bulgaria became the longest-serving leader in the Soviet bloc and one of the last survivors of the old guard, died Wednesday at the age of

He ruled Bulgaria from 1954 until he was overthrown in 1989. Mr. Zhivkov slipped into a coma after being hospitalized July 8 with a res-

piralory infection, hospital officials told official BTA news agency.

He also had suffered from diabetes

and other ailments in recent mooths. Despite bis high office, Mr. Zhivkov was a conventional party apparatchik and this, more than anything else, may have enabled him to endure the turmoil of Balkan politics and the periodic upheavals in the Kremlin, to which he paid

fealty in his long career. The only known threat to his rule was a failed coup in 1965 organized by a handful of party dissidents and some army officers, believed to be the first of its kind against a Communist regime.

Mr. Zhivkov said the coup was a pro-Chinese conspiracy. Others attributed it to the rigidity of his regime and his acquiescence to the Soviet Union.

In his heyday, Mr. Zhivkov boasted more than any other European Communist leader about his close ties with the Soviet Union, saying the countries hreathe with the same lungs, and the

same blood flows in our veins. This served him well through the three decades in which Nikita Khrushchev and Leonid Brezhnev ruled

In the 1970s, a Bulgarian critic wrote ation of farmlands in what had once murder. the Soviet bloc.

that Mr. Zhivkov had earned "the reputation of a Communist leader who had caused the minimum of trouble for the

But in November 1989, as East European regimes were collapsing one by one, he was brought down with the blessing of the reform-minded Mikhail Gorbachev in Moscow in a bloodless putsch organized by senior officials in

Sofia, including the chief of staff.

They recognized that the Communist system in which they had all grown np was doomed and that Mr. Zhivkov

would be an obstacle to transition. During Mr. Zhivkov's long tenure, he authorized a forced assimilation drive against Bulgaria's I million ethnic Turks in the 1980s, in which more than over 100 were killed and 310,000 for-

cibly expelled. In a campaign that aroused international condemnation, ethnic Turks were deprived of linguistic, cultural and religious rights. They were dismissed from jobs and rounded up at night, trucked to police stations, and forced to change their Islamic names into Slavic

Mr. Zhivkov was responsible for the construction in 1959 of concentration camps for political prisoners just as the Soviet Union was dismantling Stalin's network of camps.

He was also said to have been behind the poison-pellet killing in London in 1978 of Georgii Markov, a Bulgarian writer in exile who had made mocking broadcasts about Mr. Zhivkov for Radio Free Europe.

Many of Mr. Zhivkov's actions were

parallel to those of virtually all other

Soviet bloc leaders: brutal collectiviz-

been a bountiful land; the installation of nuclear power reactors that had a Chernobyl-disaster potential; the opening of a huge steel factory that polluted the air of the valley of the Isker, in-cluding the capital, Sofia.

His legacy for his country of 9 million people included a foreign debt of \$10 Zhivkov-era concentration

camps were at Kotsian, Bogdanov Dol, Belene Island in the Danube and Lovech Disclosures of the camps' existence

came in 1990, a few months after Mr. Zhivkov was ousted. He was never tried for political crimes. Prosecutors concluded it would be too difficult to make charges snck.

legally spending the equivalent of \$24 million in state funds. In 1992, after a trial that lasted 18 months, during which he was scomful and defiant, he was convicted of embezzlement and sentenced to seven

Instead, he was tried on charges of il-

years in prison. In deference to his heart problems and e, the middle-sized man with the long thin nose and the heavy jowls was allowed to serve his time under house arrest at the mountain home of his granddaughter overlooking Sofia, and ven to make a foray to his birthplace in

Pravets, northeast of the capital. On that occasion, he bragged, "The whole country loves me.'

In February 1996, Bulgaria's highest court acquitted him of the embezzlement charges, although he remained under indictment on charges of human

rights abuses. In effect, Mr. Zhivkov got away with

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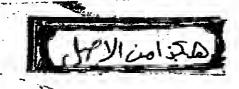
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# **Baghdad Must Comply**

The UN Security Council now will consider the hudding crisis brought about by Saddam Hussein's latest refusal to cooperate with UN inspectors looking to see whether he has in fact eliminated all his weapons of mass destruction. The challenge that the Iraci leader is making to the United Nations and to the peace and security of his region has become familiar during the eight years since the Gulf War. It deserves an uncompromising response: Iraq must respect its obligation to make good on its disclosure and dismantlement pledges to the United Nations.

The new showdown follows from Saddam Hussein's rejection of a UN offer to accelerate the pace of inspection so as to bring closer the day, long sought by Iraq, to lift international sanctions on Baghdad. Instead, Iraq denounced the inspectorate and ordered its work cut off.

Why would Saddam blow his bestever opportunity to break the sanctions? One theory centers on Iraq's frustration over America's alleged but undemonstrated raising of inspection standards. A second theory centers on Iraq's frustration that the United States was keeping it from its evident goal of getting the sanctions lifted without having to

To us, the second theory looks good. The burden never was on the United Nations to prove Iraq's treachery; it was on Iraq to prove hy documents and disclosures its repudiation of its dirtyweapons past. But look at what has happened just recently. In June. inspectors found traces of VX on shell canisters; Iraq had said it never loaded this nerve gas on warheads. Last week the global nuclear inspectorate said it was unable to certify that Iraq has no nuclear weapons, Iraq has insisted that it has none.

The necessary full inspections can to forward only with Iraq's consent. But the sanctions can be ended only by the consent of the Security Council, where the United States has a veto. The Council members most interested in easing the sanctions should not be expecting the United States to ease Saddam's hand-topled crisis by letting Iraq evade its disarmament obligations.

As for Kofi Annan, UN secretarygeneral, who personally negotiated a disclosure agreement with Saddam to deal with the crisis of last winter, the prestige of his office is at stake - not to mention that of his American sponsors. -THE WASHINGTON POST.

### China Is Reforming

Over the last 20 years, China's army has become almost as formidable a force in the Chinese economy as it is in military affairs, Encouraged by the government to supplement official defense budgets with profits from army-owned businesses, the military developed a multibillion-dollar empire of some 15,000 companies, including clothing manufacturers, airlines and hotels as well as defense-related industries.

Last mooth, President Jiang Zemin ordered the army to sever its connections with these companies, with some of the lost revenues to be replaced by increased government spending. His initiative should reinforce China's economic and budgetary reforms, strengthen civilian authority over army leaders and create a more professional military, less likely to intervene in political affairs or complicate relations between China and the United States.

Having army-owned businesses sell defense equipment to the military invited corruption. Army businesses also proved ideal conduits for smuggling, with their ability to move tuxury goods undetected across borders. The financial cushion provided by these businesses also made military leaders dangerously independent of government control and individually rich and powerful.

Since consolidating power last fall, Mr. Jiang has put forward a surprisingly ambitious agenda of reforms, including closing unprofitable state industries, reducing government bureancracy and, now, extricating the army from business. He has also encouraged a limited debate about introducing more democracy into China's authoritarian political system.

These are promising steps, pointing toward a better governed, more market-oriented and slightly freer China. China now has a leader with a reform plan and the political authority to put

-THE NEW YORK TIMES.

# Let Reno Think It Over

the Justice Department's top authorities on campaign fund-raising abuses, have now testified publicly that federal law requires the appointment of an independent counsel to investigate allegations of financial abuses in President Bill Clinton's 1996 campaign. The reason, they explained, is that Attorney General Janet Reno has a conflict of interest that makes it impossible for her to supervise honestly an investigation of the man who appointed ber.

The legal reasoning is correct and obvious to everyone but Ms. Reno. She has said that she needs three weeks to study the report drafted by Mr. La Bella, the former head of the Justice Department's campaign finance task force.

The attorney general should not need so long to master basic law, bot we think it is better to give ber the time than to hold ber in contempt of Congress, as proposed by Representative Dan Burton, chairman of the House Committee on Government Reform and Oversight.

Two wiser stodents of the Democratic campaign abuses, Senator Orrin Hatch and Representative Henry Hyde, favor giving Ms. Reno the re-

Charles La Bella and Louis Freeh, quested time so that she can think ber e Justice Department's top authorities way through this with the help of Mr. La Bella's 94-page report and a memorandum from Mr. Freeh, the di-

rector of the FB1. Mr. Burtoo threatens the contempt action because he wants a look at those documents. But a confrontation over the reports would be unsound on legal grounds and counterproductive at a time when, thanks to Mr. Freeh and Mr. La Bella, the pressure is mounting on Ms. Reno 10 get out of the way and let an independent investigation proceed.

All that said, we can sympathize with Mr. Burton's frustration when Ms. Reno accuses his committee of proposals that would "risk creating a Justice Department and an FBI that tack to political winds instead of following the facts and the law."

Ms. Reno has given the nation a politicized Justice Department, Mr. Freeh and Mr. La Bella have given her reports that instruct her in bow to straighten out that department. Everyone in Washington knows what the law requires. The Freeh and La Bella reports give Ms. Reno a reasonable, if belated, way to clean up ber mistake.

—THE NEW YORK TIMES.

# Other Comment

### **Israeli Construction**

During the past five years, Israeli construction in the West Bank and Jerusalem has doubled. And this has been coupled with more than 700 home demolitions by Israelis that have created great fear among many Palestinians.

The settlement and road construction in the West Bank and Jerusalem must be seen to be understood and believed. Settlements are now huge and sprawling cities that surround and engulf eastern Jerusalem.

Having lost their surrounding lands. and with new Jewish construction right up to their doorsteps, the tiny Palestinian villages in the environs of the city have been swallowed whole by stone behemoths that will bouse tens of thousands of new settlers.

Where hills are oot being razed for new housing construction, they are being cut through for massive superhighways. These new roads, with their tunnels and overpasses, accomplish two objectives. Most settlers can now take a new superhighway direct from their settlement to Jerusalem or Tel Aviv without ever crossing through an Arab village. And the roads cut the West Bank into ribbons so that the Arab areas are severed from one another.

- James J. Zogby, president of the Arab American Institute, commenting in the Los Angeles Times.

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# America and Iran Need to Get Together Patiently

PARIS — Despite vague expressions of interest in improving relations, a Paris encounter between an showed that there is still a very long way to go, and a very different view

The American, Barry Rosen, had prisonment, saying, "Our whole nation was beld hostage for 25 years."

The meeting was arranged by the Cyprus-based organization Centre for World Dialogue, one of the many nongovernmental groups springing up around the world with the aim of finding ways to enable people to talk out their grievances when their governments can't. It revealed, in a subtle way, what must be a raging argument in Iran about opening up the country and making up with the United States.

American and an Iranian last week on each side of the history that led to even say why he was imprisoned for rupture and hostility between the two eight months in 1993 and since 1996

been held as a hostage in the U.S. Embassy in Tehran for 444 days, which he remembered with obviously great dis-tress. The Iranian, Abbas Abdi, was one of the students who directed the seizure of the embassy in 1979. They had not met since, and they managed to shake hands after a couple of hours of public debate, although Mr. Abdi refused to express any regrets for the forced im-

Although be castigated the media for

NEW YORK — Eight times in the past three years the

than sell them.

why the fate of Western eco-

nomies rests with two oear octogenarians in Tokyo and a pas-

sel of Communists in a Chinese

keep American growth solidly

on track are not in Washington.

With the budget balanced, moo-

sector investment chugging

along, the big risk is that of-ficials might reflexively re-

spond to a serious correctioo

with a shift in policy.

well as to medicine.

done America no harm.

wave of the Asian depression

had beneficial effects, hy keep-

ing inflation and interest rates

Unfortunately, the levers to

By Flora Lewis

his country before the revolution, Mr. Abdi refused to say anything about what is happening now. He would not has been banned from publishing or editing the newspaper with which he is still associated

But he listed both punishments at the end of a long resume otherwise full of his exploits on behalf of the Khomeini

Evidently, the pressures for relaxation have not gone far enough to make it safe to talk about them publicly abroad. But be did come, and, an ironic detail, he was the only member of the three-man panel who did not sport a traditional Islamic beard. The American panelist and the French mediator both did.

The exchange showed how much each side still misconstrued the history of their confrontation. Mr. Abdi said the students who invaded the embassy thought they would keep the bostages for a week at most, and that they would find support from American public opinion, which had forced the United States out of Vietnam.

It is clear that the prime motive for the seizure was not to challenge the failing to report what was going oo in United States but to force the resig-

nation of the Iranian prime minister and foreign minister, who, the Khomeini revolutionaries feared, might make a deal with the United States to overthrow them.

The mullahs had gained considerable power through the Mossadegh revolution in 1951, but they were ousted by a U.S.-backed coup which restored the shah's power in 1953. The memory still burns. Mr. Abdi said that if relations were resumed with the United States, it should be on the "pre-1953 basis."

Just before the bostages were taken, the then U.S. national security adviser, Zbigniew Brzezinski, had met the Iranian prime minister and foreign minister at a big anniversary celebration in Algiers. He told them, and repeated publicly, that the United States "has nothing against religion and Iran," so they could get along. Immediately on their return, the embassy crisis led to their overthrow.

But the United States took it as a direct assault. President Jimmy Carter said he would not go out of the White House Rose Garden to campaign until be had secured the hostages' release. Americans everywhere displayed yellow ribbons to sbow their sympathy with the diplomats. The Tehran students discovered to their surprise that they had a much bigger political

weapon than they had imagined, so they clang to it.

Meanwhile, Iraq's invasion of Iran mobilized national feeling and helped the Khomeini regime to consolidate. Iranians claim that the United States aided Iraq, which was not the case until late in the eight-year war when Iran seemed on the way to victory. There is every reason to believe that the push for modernization and moderation now delicately but visibly stirring in Iran would have begun a decade earlier but for Saddam Hussein's attack.

It is clearly a push from below, particularly from the young in support of President Mohammed Kharami, who first suggested starting cultural exchanges to warm up relations with America Bot Mr. Abdi, who obviously agrees, showed by his reticence that too warm a response by Americans might hurt more than help his cause in the conflict with hard-line fundamentalists.

It is time for the United States and Iran to find a way to reconciliation. But grave past misreading of each other's intentions and expectations remains a barrier, and the cloudy situation in Iran makes assumptions of how best to go about it unwise at this point.

Goodwill is not enough when historic wounds still ache. Ignorance is a serious handicap.

# Yes, Watch Asia's Crisis, but This Is No Time to Panic

By Richard Medley benign, as American manufac-

U.S. stock market bas corrected turers now know. sharply, and each time the cor-Right now, Asia bas entered a critical phase. Japan must begin rection has been a buying opportunity for investors and a growing again, and China must Rorschacb test for analysts wbo see what they most want to see hold still, despite enormous economic problems, or the in each downturn. So far, we have beard that world will decline into a wider

this summer's correctioo has been Lewinsky-based, earn-ings-based, technically overdne That is wby the United States has been hammering on Japan or the result of Venus transiting since late last year to stimulate its economy before it drags the into Sagittarius. Unfortunately, the only serest of Asia and then the West over the cliff. In fact, Japanese rious explanation is that more people want to sell stocks than leaders are finally getting serious

want to buy them, and the downturn will not end until about digging themselves out of their eight-year recession. Finance Minister Kiichi Miyazawa calls himself an unmore people want to huy them So what do you do with that if repentant Keynesian and be looks set to prove it, embarking you are Alan Greenspan? Keep your eyes on Asia and wonder on a stimulus program anchored

cuts worth \$85 hillion, as well as by plans to spend an additional \$200 billion on public works projects to pave over everything that doesn't move. He is backed by Noborn Takeshita, current kingmaker and former

Japan's central bank seems to be printing money around the clock, flooding markets with trillions of yen occded to drive down the cost of loans to weakened banks. By late September, if the first glimmers of stability in business conditions are not visible, it will be time to panic.

And then there is China. As senior officials gather for their informal summer meeting in the resort of Beidaihe, Prime Minister Zhu Rongji is carrying bad by corporate and individual tax oews from the provinces.

unsold products, and the debt loads of state-owned enterprises are piling up. Financial markets are smelling blood, and speculation against the youn in China's limited currency market has increased noticeably in

recent days. China will be forced to devalue its currency if Japan does not recover this fall. This would guarantee a new wave of competitive devaluatioo across Asia push exports into the saturated American and closed European markets. Debt burdens of these aiready bankrupt countries would only increase.

But such a gloomy chain of events might not come to pass if Japan's embrace of Keynesian economics works and if China keeps its promise to Washington and does oot devalue its The New York Times.

Warehouses are filled with currency. The virtue of crises is that they tend to bring the most exceptional talents to bear,

The danger, of course, is that the room for maneuvering might disappear, and then noming is possible.
That is what American of-

ficials most want to avoid, and they are well aware that any action by them - from cutting interest rates to stopping the dollar's rise -- could unintentionally shrink the room for maas each country struggles to neuvering in Asia. Thus they. will keep their hands far away from the policy levers.

You and I, meanwhile, should be content to ride out the stock market's lurches and buy on the dips once again.

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The writer is managing partner of Medley Global Advisors. He contributed this comment to

# While Japan Drags Its Heels, China Is Reforming

HONG KONG — Japan and China, with Asia's two etary policy oo hold and private largest economies, confront a similar predicament. Both are grappling with decelerating growth and deflation. Both are plagued by symptoms of overcapacity, poor profitability and

In fact, we can all say a little financial stress. prayer that Mr. Greenspan un-derstands that "First, do no These difficulties cannot be dismissed as the product of temporary factors. They are caused harm" applies to economics as by structural imbalances that It may be hard to remember. may oot be easy to correct. Jabut last spring there was a pasb pan and China have relied for to raise interest rates by Fed ton long oo a development modhawks who concluded that the el in which bank loans have been used inefficiently to pro-Asian crisis was past and had mote exports and investment in Far from it. While the first

factories and other fixed assets. But this is where the similarities end. Japan displays neither the willingness nor the low, the secood wave is not as ability to address decisively the

By Miron Mushkat many problems it faces. China, oo the other hand, tackles impediments to growth head-on, and constantly tries to enhance

its economic management ca-

pabilities.

The problems confronting Japan are deep-seated and interconnected. Using a hammer rather than a stiletto, and opting for comprehensive surgery rather than selective tinkering. are the appropriate responses in such circumstances. But the policy establishment in Tokyo is frozen and unable to address the challenge in a timely and effective manner.

By contrast, China has committed itself to reform and sought to create institutions conducive to policy innovation.

The far-reaching administrative and fiscal decentralization carried out in recent years is a case in point. While undermining to some extent the position of the central government, it has invigorated communities at the local and provincial level to such a degree that they are now

Administrative and fiscal decentralization has provided impetus for the rapid growth of private enterprise at the local and provincial level in China, and the emergence of a subnational layer of government dependent on that enterprise.

the principal source of policy

initiative in the country. Reform

is thus a hottom-up process.

A healthy provincial ecooomy, for example, boosts local tax revenues and underpins public employment. Provincial and local officials consequently have a strong interest in nurturing private enterprise within their areas, and act as its advocates in Beijing.

The massive mandatory retirement program for revolunonary veterans in China has made the central government less resistant to change. As a result of the departure of the remnants of the old regime, relatively young and well edu-cated bureaucrats have been promoted to the high echelons of the civil service.

These officials generally support reform. They are also flexible and pragmatic.

Another significant institutional reform in China bas been

tions. This has helped to transform the attitudes of civil servants at all levels and fostered a climate of policy innovation. Moderate reformers in China dominate the policy councils and have mapped out a viable

succession strategy to ensure

to allow government employees

to leave the bureaucracy and

join private sector organiza-

policy continuity well into the early part of the next century.
While they may lack the zeal of their radical counterparts, it does not mean that they are exponents of the endless superficial tinkering that is the hall? mark of 'reform' in Japan.

The Chinese reformers are willing to take selective risks in pursuit of their goals. What distinguishes them from their radical counterparts is the reluctance to attack on all fronts. simultaneously. Their preference is for strategies that focus on only a handful of major prob-. lems - for example, the banking system and state-owned en-

China's reform-minded leaders worry that, as in the Soviet Union toward the end of the Gorbachev era, chaos might ensue if they tried to achieve too much in too short a time.

The writer is vice chairman and director of economics and strategy at Indocam Asia Asset Management, the fund management arm of Crédit Agricole financial services groups. He contributed this personal comment to the International Herald Tribune.

# IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1898: Mediaeval Spain PARIS - The "Neue Freie

Presse" says: "It is a pity for the Spanish people that they must bend to the conditions of the American people. The hard lesson may be for their good. There are States which benefit by a defeat because it forces them to introspection and conversion. Spain can recover from this nnhappy war if she modernizes her Government and shakes off the mediavalism that still clings to her. But her proud dream of becoming the seventh Great Power lies buried beneath the waves of the Atlantic Ocean, from which her world empire once rose."

PARIS — Women the world over are reverting to their faith in feminine charm, according to Miss Dorothy Gray, a noted

reactionary, I think this is ahealthy sign. Women are beginning to feel a little disappointed in the false promise of liberty the ballot and equal rights, and want once more to exercise the most elemental of weapons beauty. If they really succeed in combining the two, poor man will hardly have a chance.'

tions adopted a resolution deploring laws "forbidding mixed marriage between persons differing in color, nation. ality, race or religion." The Soviet delegation accused the United States of injecting "for political reasons" a resolutions. asking information from governments on the right of women married to foreigners to leave their homelands. The Russiansthreatened to bring up alleged. American laws against mar-Though I am by no means a riage between white and black

# An Asian Assignment for Rubin

OS ANGELES - Were the condition of the U.S. economy today nearly as troubled as Asia's, Americans would be looking for people to blame. Robert Rubin's name would be no better than that of Ryutaro Hashimoto, the fallen Japanese

With the U.S. economy in its seventh year of boom, why isn't the Treasury secretary the happiest soul on the planet? Because the final chapter of Bill Clinton's run has yet to be written.

This administration's unraveling, if it doesn't happen with an impeachment, could come because of Asia, whose miseries are beginning to wash up on American shores.

Last week, as the news surfaced that U.S. economic growth had dropped to 1.4 percent in the second quarter after a buoyant 5.5 percent in the first, the most pointed comments by Mr. Rubin during a conversation were about China and Japan.

No surprise. Asia will not be able to emerge from its tailspin if either Beijing or Tokyo re-sponds to this historic crisis ineptly or parochially. In Asia, Mr. Rubin's June

meeting with China's economic czar, Zhu Rongji, was covered like a papal visit. His words on economic policy are weighed and analyzed abroad as if they were gold. Mr. Rnbin, the Wall Street multimillionaire, is widely regarded in Asia as the world's second most powerful official, after Mr. Clinton. Mr. Rubin is loyal to his boss,

but be is under family pressure

Asked if be had become

bleak about Asia's prospects, he

replies by admitting only to

to return to New York.

By Tom Plate

"concern." But he is well aware that Chinese export sales in Asia have plummeted, that overall mainland growth looks to be sagging below the 8 percent annual target set by Beijing, and that in Shanghai the office vacancy rate is so high that no Chinese official will publicly proffer the true, un-

doubtedly stratospheric figure. Yet, having met Mr. Zhu, Mr. Rubin expresses a bit more than idle hope that China will hang tough and that a currency devaluation will not be automatic even if the yen continues to "Japan affects all the sink. world," he sighs, "but wheo I was in China, they expressed their determination to proceed on the basis of their self-interest

and maintain the [currency]." His concern about Asia becomes palpahly great irritation when the topic turns to Japan. And if his attacks on Tokyo are perceived in many parts of Asia as typical of American arrogance, it must be conceded that his economic management, in tandem with Federal Reserve Chairman Alan Greenspan, has been more adroit than that of the half-dozen successive failed Japanese prime ministers with whom he and his boss Mr. Clin-

ton have had to wrestle. When asked if Washingtoo's poblic posture toward Tokyo might come up disagreeably short in the suavity department (in Japan, Mr. Rubin is sometimes described as a "megaphone" diplomat), Mr. Rubin pauses for a few tense seconds before answering:

"What happens in Japan is

critical to what happens in Asia and the rest of the world. Yes, the United States has been rightly focusing on [Japan], but so has the rest of the world.

Japan has needed to act decisively all along."
The Japanese have been difficult and even wrong. But U.S. policy in Asia has oot been without missteps. If there is an Achilles' heel, it is that Mr. Clinton and Mr. Robin have relied on the IMF to a fault.

But, asked if he agrees that IMF performance has been very mixed, Mr. Rubin demurs. "These are unprecedented and complex issues. Many countries are in trooble all at the same time; there are problems in each one which affect the other countries. Japan is the second largest economy and hy many multiples the largest in the region. The IMF has done a good job.

"It's easy to be a critic, but there are no easy solutions. The best argument for the IMF? It's the possibility of a substantial escalation [of the crisis] - that is a real possibility. It would have a severe impact on the United States. The IMF is a core institution that responds to protect the global economy and our financial concerns." Mr. Rubin believes that Coo-

gress will ultimately authorize all that the administration has asked in additional IMF funding. "The U.S. agricultural community is beginning to get behind it. The American people are beginning to see how our world economy really is."

He knows that the Clinton presidency could come unglued

over Asia. It is his job to reduce the odds of that happening. Los Angeles Times.

1923: Faith in Beauty

American beauty sculptor."

1948: Mixed Marriages GENEVA - The United Na-

OPINION/LETTERS

### PAGE 7

# Workers vs. 'The Street' In Booming America

By E. J. Dionne Jr.

WASHINGTON — Even in the middle of a long eco-union and oegotiated for efficiennomic boom in which worker cies earlier, are seen by stock anashortages are starting to drive up wages, Americans with good jobs are afraid of losing them. That is

GM also confronts a fundashortages are starting to drive up why autoworkers struck General Motors for almost two months, at over time. As the bank economists the cost of about \$1 billion in lost

The company lost a lot, too—
Im estimated \$2 billion. At the end of this costly struggle, GM agreed to keep certain plants open for a while and to live on to promise the control of the c while and to live op to promises to can retire after 30 years on the joh. invest in them. The company got keeping a plant open even for just a some productivity concessions.
You could score this as a narrow victory for the union, or as an expensive tie that leaves the

toughest issues for the future. This strike did not capture the public imagination as last summer's United Parcel Service atrike did, but the dispute hit close to home for many workers. In the new economy, even profitable companies are under relentless pressure to cut costs and promote

Sucb moves sometimes send jobs outside the United States or, more ofteo, to lower-cost, lowerpaying producers elsewhere in America. Either way, the threar to existing jobs is felt keenly.

Kim Moody, director of Labor Notes, a pro-union magazine based in Detroit, says that the leadership of the United Auto Workers is under tremendous pressure from below" to fight job losses. This is not a case of "labor bosses" flexing muscles hut of union leaders

responding to worried members. What is happening is a funda-mental shift of power inside American companies — from managers to stockholders and Wall Street analysts who demand ever leaner, more productive corporations. When managers do not deliver, the company stock suffers:

The pressure is coming from Wall Street and this universe of shareholders and analysts," says a UAW official who asked not to be named. "There's been a drombeat that GM has to shed 50,000 workers, 80,000 workers. It's a drumbeat that management is tak-

ing more seriously." Now let's stipulate: GM is competing against other car compa-nies that have achieved some of the efficiencies GM oow seeks. Ford and Chrysler, which have a

mental conflict with the union David L. Littman and William T.

For many union members, who few more years can make a difference between modest comfort and a huge disruption in their lives. Company managers, say Mr. Littman and Mr. Wilson, are thinking about a competitive strategy for the next decade. But workers on the line see that strategy as threatening jobs that they like, that pay well and that offer decent benefits.

GM and the UAW were simply playing out a drama that is being enacted all across the country, of-

ten at nonunion companies.
"People are simply fighting to hold on to what they have," said Andrew Stern, president of the Service Employees International Union. These fights are not about massive wage increases or massive benefit increases. A good job with good benefits is a precious commodity in America today."

That, perhaps, is why the strikers not the company, appear to have won the war for public opinion. A CBS News poll found that 46 percent of the public backed the union, while 37 percent backed GM. Fifty-two percent of those un-der 30 years old said they favored the autoworkers.

The UAW leadership was unable to capitalize on these glimmers of support because it could not declare this a strike on national issues. Its contract with GM is not up until next year, and a national strike would be illegal. GM had good to court to make this point. The union had to insist this was about local disagreements.

But inevitably what is at stake is national and, in the broadest sense, political: ensuring opportunity in a growing economy. GM and the UAW will fight again another day, carrying oo an argument that affects companies and workers all over the nation. Washington Post Writers Group.



### LETTERS TO THE EDITOR

### On East Timor

Regarding "Jokarto Detoils-Partiol Autonomy for East Timor

Jakarta's claims of troop withdrawals are farcical. Its claim to have withdrawn a first group of 400 soldiers, to be followed by 600 more, lacks credibility. Indonesia must be compelled to accept international verification of its troop presence in the territory and of their withdrawal.

There are an estimated 20,000 to 30,000 troops in East Timor, far more than Jakarta admits. However, even if we were to be-lieve Indonesia's claims, the withdrawal of 1,000 troops is a token gesture that will do nothing to reduce tension and violence in the territory.

In an extraordinary display of a lack of good faith, Jakarta bas announced at the same time that 800 "noocombat" public service troops, such as doctors, teachers and agricultural experts, will be sent to East Timor shortly.

If Indooesia is serious about helping the East Timorese cope with the lack of such personnel, why isn't it sending civilians instead? In any case, the East Timorese people have no confi-dence in Indonesian civilian perincompetent and corrupt in the

As for Foreign Minister Ali Al-atas's statement that "there is no way that there can be an inde-pendent East Timor," who gave him the right to decide which nations should be free and which sbould not?

Mr. Alatas added that East Timor "would be highly dependent and always have great dif-ficulty in scraping a living." East Timor has been quite profitable for the Suharto family and the many generals who looted its coffee, sandalwood and marble to the tune of tens of millions of dollars a

Now, as the Australian mining company BHP has announced, millions of dollars in oil revenue will be generated in the "Timor Gap" area, Other oil companies

are also working in the area.
It verges on the ridiculous that one of the most corrupt, hankrupt, mismanaged and unstable countries in the world today should dispense judgment about the economic viability and poliocal independence of another country.

Mr. Alatas also repeated a favorite mantra; that a referendum on salf determination in Fast

oo self-determination in East Timor could spark a civil war.

The reality is that the violence in East Timor is promoted by the Indonesian Army, it alone is responsible for the continuing ten-

sion and killings in the territory. If Indonesia genuinely fears a civil war in East Timor in the event of a referendum, there are a few preventive measures it can take now: All hooligans and paramil-itary groups should be disbanded and weapons collected. A UN police force should be brought in to the territory, and a new local police force should be trained by the UN. All Indonesian troops should leave, the sooner the better.

One last thing: Reports of rape of Chinese women in Indonesia are the tip of the iceberg of racially inspired violence against non-Javanese ethnic groups organized by the Indonesian Army over decades. In the first days and weeks of the Indonesian invasion of East Timor in 1975, hundreds of ethnic Chinese of East Timor were mas-

sacred and women raped.

JOSE RAMOS-HORTA. Lisbon.

The writer, deputy president of the Notional Council of Timorese Resistance, shared the 1996 Nobel Peace Prize with East Timor's Roman Cotholic bishop, Carlos Felipe Ximenes Belo.

# Learning Late the Ways Of the Natural World

By Ellen Goodman

The boldest of the four offspring achieved a shaky lift-off Friday. He took a short hop to a oearby pine tree and sat there for a while, twitching in surprise at his

### **MEANWHILE**

own audacity. Theo he took wing across the road.

By Monday, his three sihling flycatchers had gathered up their nerve as well. Now they are all airborne and on their own.

The oest that served as the huh of their activity holds only the downy residue of their infancy. The air that was filled with the noisy demands of a growing family is quiet. The parents who main-tained their guard post on a nearby phone line are off duty.

The porcb that they claimed is nce again ours.

My busband and I stand here, making light of our empty-nest syndrome.

They don't call. They don't write," I tell him. "They don't need college tu-ioon. They don't borrow the car,"

It is just five weeks since two taupe-colored migrants staked out the territory under the porch roof. Swiftly, they huilt a new nest ex-

actly where an old one had been.
For the first time, I witnessed
the entire cycle from nesting to fledgling. I watched this two-worker family condense 18 years of child-raising labor into five nonstop weeks.

On the days I worked here, confined to a computer screen, linking words together for a living, I was distracted, or attracted, hy my avian boarders. These parents streaked across my peripheral vi-sion, back and forth, on endless urgeot missions of food delivery

for their adolescents.

At times it seemed the world at my fingertips and the world at my front door were wboily disconnected. One on the Internet and the other on wing, one global and the other local, one made of artificial intelligence and the other tificial intelligence and the other replete with natural instinct. They did oot even touch.

But standing bere, I wonder bow I learned to build a senteoce before I knew bow hirds huilt a oest. How I had found my way around a for-

ASCO BAY, Maine — The phoebes have taken flight. way around my own front porch. Surely I have lived life hackward, learning to read words be-

fore nature. It occurs to me that many of my young computer-savvy friends get their hands on a mouse before they know the natural namesake.

They know long division before they know how flowers multiply. As parents we would be up in arms if our children did not know the alphabet. But we doo't notice when they cannot read the landscape. Our daughters can distin-guish Posh from Baby Spice before they know the difference between the sound of a yellow warbler and a brown thrasher.

During this summer of the phoebes, I kept Marie Winn's charming and quirky book "Red-Tails in Love" on my night table. It is the story of hawks that survive and reproduce in the circumscribed "wilds" of Central Park. It is also about the claque of devoted birdwatchers whose home turf is Manhattan, native soil of skyscrapers.

When these bird-watchers stood in the park, binoculars trained upward, watching the young hawks, tourists and passershy would stop and ask, "Who are you looking at?" It was as if the city folk could not imagine any

celebrity from another species. But I, too, have only lately paid attention to my natural co-habitants. I've had to learn "bird" as a second language, commuting sheepishly with remedial tapes of songbirds while my friends listen to literature and public radio. Maybe we spend so much of our young lives learning the skills to make it in the world that we learn our place in the world much later.

The week the phoehes took flight, the oews came relentlessly screaming for attention — a gun-man in the Capitol, Monica gets immunity — like an alarm clock. We are sometimes told to take a oews fast just to restore our equi-

librium. But there is more restoration in this feast of phoebes. Here, on the porch, without a care for such orgent buman concerns, yet another generation of flycatchers has taken wing,
"'Hope,'" wrote Emily Dickinson, "is the thing with feathers/That perches in the

The Boston Globe.

### **BOOKS**

THE MAN WHO LOVED ONLY NUMBERS: The Odd Story of Paul Erdos

and His Search for Mathematical Truth

By Paul Hoffman. 243 pages

\$22.95. Hyperion. Reviewed by Kay Redfield Jamison

THIS is one of the most captivating books I have read in years. Paul Hoffman, publisher of Encyclopedia Britannica and former editor in chief of pletely absorbing, fast-paced memoir pletely absorbing, fast-paced memoir of the mathematician Paul Erdos (1913-1996), an odd, hrilliant and completely original human being and mind. Hoffman also bas brought vividly, very vividly, to life the world of pure mathematicians and the psychologically fragile mathematicians who pursue the ultimathematicians who pursue the ulti-

and all that he could see and imagine only to die later of tuberculosis); Yuin them. Nothing in the real world whered him to it. "He bad no wife or hildren, no job, no hobbies, not even a hildren, no job, no hobbies, not even a the age of 31, and the Austrian logician.

cantered down the street like a big ape, hunched over, moving sideways, his arms swinging. He always moved fast." Most of his energy seems to have been innate, but he ingested vast quanted by Hoffman in full force, but it is fast." Most of his energy seems of ted by Hoffman in full force, but it is been innate, but he ingested vast quanties of amphetamines and coffee primarily the excitement, zest and rarefield heights of pure mathematics that which, no doubt, helped keep the mo-meotum going. From the time he was 21 permeate the book, and linger long after

His mathematical genius and pro-

ductivity were legendary in his lifetime: 1,500 academic papers, "many of them beautiful; the ideas, like the colours or monumental, and all of them substan- the words, most fit together in a har-

Extraordinary natural brilliance was year, none of which dwelt on subjects mean hy a beautiful poem, but that does other than mathematics. "I am in Ausoot prevent us from recognizing one Discover magazine, has written a com-tralia," a typical letter began. "Tomor- when we read it." row I leave for Hungary. Let k be the

mate beauty that comes in the form of elegant proofs to seemingly unsolvable problems.

It would be impossible and pointless to remain immune to the charm of the Budapest-born Erdos who lived, inhaled and loved with abandoo prime oumbers of a London suhway train (he survived, and all that he could see and imagine of a London suhway train (he survived, only the feater of tuberculosies). You

**BRIDGE** 

he "hardly ever slept in the same bed for ooe has put it down. So, too, does the passioo for beauty. The author quotes O.H. Hardy as saying: "The mathematician's patterns, like

He wrote or co-authored more than the painter's or the poet's, must be monious way. Beauty is the first test: there is oo permanent place in the world hensible single-mindedness. It is report- that is just as true of beauty of any kind ed that Erdos sent out 1,500 letters a -- we may not know quite what we

It is this pursuit of the beautiful that is

Pani Erdos was greatly loved by those who knew and worked with him, withered him to it: "He bad no wife or hildren, no job, no hobbies, not even a home to the him down. He lived out of a shabby suitcase and a drah orange plastic bag."

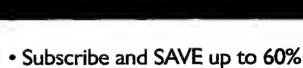
The bad no wife or mathematician, committed suicide at the age of 31, and the Austrian logician brilliant, kind, and very odd. He, and kurt Godel, who was in and out of his strange but marvelous world, are plastic bag."

The bad no wife or mathematician, committed suicide at the age of 31, and the Austrian logician brilliant, kind, and very odd. He, and his strange but marvelous world, are possible to death later in life. To this list could be thought there is a fair amount of mathematician, committed suicide at the age of 31, and the Austrian logician brilliant, kind, and very odd. He, and his strange but marvelous world, are captured beautifully in this book. Altough there is a fair amount of mathematician, committed suicide at the age of 31, and the Austrian logician brilliant, kind, and very odd. He, and his strange but marvelous world, are captured beautifully in this book. Altough there is a fair amount of mathematician, committed suicide at the age of 31, and the Austrian logician brilliant, kind, and very odd. He, and beautifully in this book. Altour brilliant is captured by the was the age of 31, and the Austrian logician brilliant, kind, and very odd. He, and brilliant is captured beautifully in this book. Altour brilliant is captured by the age of 31, and the Austrian logician brilliant, kind, and very odd. He age of 31, and the Austrian logician brilliant, kind, and very odd. He age of 31, and the Austrian logician brilliant, kind, and very odd. He age of 31, and the Austrian logician brilliant, kind, and very odd. He age of 31, and the Austrian logician brilliant, kind, and very odd. He age of 31, and the Austrian log He pushed on from place to place with an almost fathomiess, restless energy. A colleague observed that Erdos 'kind of were hospitalized for manic-depres- were hospitalized fo in no way should discourage even the most mathematically illiterate from buying this book.

Kay Redfield Jamison, professor of psychiotry at the Johns Hopkins School of Merice, wrote this for The Wash-

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T the start of the Amer-Aican Contract Bridge League's Summer National Championships in Chicago, a squad from the New York area has reached the semifinal of the Grand National Team Championship.

Luella Slaner and Joel Friedberg of Scarsdale, New York, Marty Bergen of Farm-Stein of Irvington, New York, Steve Weinstein of Glen

New York, Steve Weinstein of Glen

New York, Steve Weinstein of Glen

New York, and Friedberg was South. Was the end of Friedberg. He was the end of Friedberg. When the spade king was led, could make only seven tricks. Ridge, New Jersey, and Fred

By Alan Truscott

planned. Friedberg was long conscious of the chance the spade suit in the diagramed North's actual response was denied deal could present. If the spade an overbid of three no-trump king is led, the declarer may be rather than an accurate raise side. able to score a triumph by to two oo-trump. That meant dropping the jack. This is the contract was doomed, and likely to persuade the opening the only issue was whether it leader to continue, when the would be defeated by one declarer has reason to fear a trick or two.

shift to another suit. he made his preplanned play York, face a California team.

Experts sometimes imagine the possibility of some brilthe possi of the jack. East had played the possibility of some brilliant stroke. They may wait for years for the possibility, hut when the chance comes, the

simuation may not be quite as trick before the defense could score any club tricks.

There were two flaws.

The second flaw was that This layout occurred in the West paid no attention to the New York Regional Cham-pionships in December 1995, stantly to the cluh jack. That that West gave South credit

That it has its inconvenient

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### INTERNATIONAL

# Dissident **And Burma** Junta Face Off Again

RANGOON — The Burmese oppo-sioon leader Daw Aung San Suu Kyi and the country's junta faced off again Thursday before the 10th anniversary Saturday of a military crackdown on pro-democracy demonstrators that left thousands dead, officials from her party

The latest confrontation occurred when the Nobel peace laureate ordered junta security guards to leave her compound and they refused. National League for Democracy officials said.

It came as reports of protests, detentions and security clampdowns swirled through Rangoon, but the streets remained calm, residents and foreign diplomats said.

The authorioes said that an anti-government protest took place in one town and said an opposition member had been summoned to a police station in another for distributing 'certain papers.'

Meanwhile, the human rights watch-

dog Amnesty International said the international community had let down the people of Burma through its inaction and needed to refocus efforts on bringing change to the poverty-strickeo country. "For all the statemeots, for all the sanctions, for all the promises of en-

gagement-producing results, things have only got worse," the organization "Genuine concerted action by the in-

ternational community could turn this situation around." the Londoo-based rights group said. Party officials said Daw Aung San

Suu Kyi wrote to authorities July 31 to demand the security team's withdrawal after she was forcibly taken back to Rangooo following a six-day roadside stand-off with the authorities 26 kilometers (15 miles) northwest of the city. That confrootation was sparked when

she was blocked from traveling to meet supporters in the provinces, her third failed attempt in three weeks.

She is said by aides to be recuperating and has not been seen in public since returning to the capital.

No other incideots were reported in

Rangooo as activists prepared to mark the anniversary Saturday, but foreign diplomats and residents said the city was the paper after learning that Mr. awash with speculation about the next Barnicle, who asserted he had not read step in the confrootation between the Mr. Carlin's book, had, in fact, held the when she admitted she had fabricated all junta and the pro-democracy party.



A Burmese student protesting Thursday at Rangoon's embassy in Bangkok.

### Boston Globe Writer Told to Quit

By Howard Kurtz Washington Post Service

WASHINGTON — The Bostoo Globe demanded the resignation of a controversial columnist, Mike Barnicle,

misled the paper about the matter. The Globe suspended Barnicle for or to his editors. This contradiction is one mobile without pay after learning unacceptable." that be had used a series of one-liners in his Sunday column that had been lifted from Mr. Carlin's best-selling 1997 book, "Brain Droppings." But Matthew Storin, editor of the pa-

per, asked the 25-year veteran to leave book in his hand and recommended it on or part of four columns.

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Bostoo's WCVB television. Mr. Barnicle refused to resign and a

Globe spokesman would not say whether he was about to be dismissed.

"In the past few days, and particularly the past few hours, his relationship with Wednesday night after concluding that his readers and his employers had be-he had stoleo one-liners from the come untenable," Mr. Storin said in a comedian George Carlin and theo statement. "It is clear he misrepresented himself either to his television audieoce

Earlier on Wednesday, before the punishment was decided, Mr. Barnicle said in an ioterview that a bartender had given him the jokes and that he did not know they are a few the Carlin head. know they came from the Carlin book.

The Barnicle bombshell comes six weeks after another Globe columnist. Patricia Smith, was forced to resign

### BRIEFLY

### Anglican Bishops Voice Support For Jerusalem as Dual Capital

LONDON — Anglican bishops said Thursday that Jerusalem should be a capital city for both Israel and an independent Palestinian state.

At their once-a-decade Lambeth conference, the 750 bishops from around the world voted overwhelmingly in favor of a resolution that Jews, Muslims and Christians should have free access to Jerusalem.

Israel occupied East Jerusalem in the 1967 Arab-Israeli war and later annexed it, vowing that the united city would remain its "eternal and indivisible" capital.

Palestinians want East Jerusalem to be the capital of their

### Colombia to Get New President

BOGOTA — President-elect Andres Pastrana will take office on Friday hut with his peace hopes already tested hy a bloody Marxist rebel offensive this week that left more

than 130 people dead across Colombia.

The Harvard-educated Mr. Pastrana, a free marketeer

favored by the business classes, vowed to lead the nation down the path of peace after three decades of civil strife.

He also wants to overhaul the image of Colombia, branded an international drug pariah after the outgoing president, Ernesto Samper, allegedly bankrolled his 1994 election campaign with a \$6 million donation from the Cali

One bright spot for Mr. Pastrana is an apparent opening for improved U.S.-Colombian relations. He met President Bill Clinton this week and announced a "new beginning" in ties between the two countries after "years of mistrust." (Reuters)

### Saudi-Yemeni Border Accord

RIYADH - A Saudi-Yemeni military committee in Riyadh has reached a series of agreements to prevent clashes over disputed borders, the official SPA agency said Thursday.

A statement from the committee said the two sides had agreed on "guarantees and rules," without elaborating.

The meeting followed an accord that was signed last

month hy the two countries' foreign ministers after clashes erupted between Saudi and Yemeni forces over the disputed Red Sea island of Duwaima on July 19. Three Yemeni coast guardsmen were killed.

The borders have never been fully demarcated. (AFP)

### Ecuador Rushing Quake Aid

QUITO — Military planes have begun flying food and clothing to hundreds of refugees on Ecuador's Pacific coast after two earthquakes toppled buildings, killing three

President Fabian Alarcon ordered rescue workers in the coastal province of Manabi to prepare safe areas in schools

and hospitals in case of oew tremors. The quakes struck Tuesday near the resort town of Bahia de Caraquez, southwest of Quito, causing 200 houses and

buildings to collapse. Fearing further tremors, hundreds of residents of towns in Manabi spent the night on soccer fields or in parks, many sleeping under tarpaulins that they had fashioned into



Passersby in Bahia de Caraquez, Ecuador, inspecting one of about 200 buildings destroyed by earthquakes.

# AUTOS: Analysts See Trouble for Carmakers in U.S. and Europe

Continued from Page 1

Other automakers are expected to expedite negotiations on mergers and alliances to an industry struggling with overcapacity. In the past week, such leading German industrialists as Mr. Pischetsrieder and Ferdinand Piech, the chief executive of Volkswagen, have

talked out foud about a merger. Some industry experts reckon that Mr. Piech used the BMW merger suggestion as a ruse to distract from VW's costly setback in huying Rolls-Royce Motor Cars and then losing the rights to the coveted Rolls-Royce name to BMW,

which paid nothing but lawyers' fees. The flurry of speculation regarding possible merger configurations reminded one Frankfurt analyst of "international chess." Chrysler's chairman, Bob Eaton, recently said he knew of at least six other sets of merger negoti-ations within the world anto industry.

The French carmakers Renault and Peugeot-Citroen have been mentioned hy matchmakers. Since both are national industry champions, talk of strategic partners for either raises difficult political issues in France, suggesting to some that they might consider joining forces.

One German analyst spoke of a "Mediterranean solution" in which Fiat could align itself with Renault. VW also has come into play, analysts speculate, with an interest in buying Renault's lossmaking truck operation

With a recession in Japan, home to 11 carmakers, some think a global consolidation eventually could include

ACROSS

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Bayh

names like Nissan and Mitsuhishi. Some that anyone prowling for an acquisition analysts have mentioned the possibility

of BMW merging with Honda. Mr. Halver of Delbrueck & Co. estimates that in 10 years, as few as 10 of the world's 18 automakers will be left. Daimler and Chrysler on Thursday disclosed the first concrete details of the merger, including a raft of numbers that neither company would have disclosed unless Germany's securities regulators had demanded them. The numbers, which include the earnings projections for both companies through the year 2000, show Daimler's earnings rising at a significantly faster clip than Chrysler's.

According to the companies, Daimler's pretax earnings will rise to \$6.2 hillion in 2000 from \$2 billion last year. By contrast, Chrysler forecasts a sharp jump, to \$5.6 hillion this year from \$4.56 hillion last year, but then expects to see smaller increases after that to \$6.2 billion next year and \$6.3 hillion in 2000.

The figures helped justify the imbalance in the proposed share swap that cements the merger, with Daimler share-holders holding the better cards. They can trade a Daimler share for one in the new company at a 1-1 ratio, but a Chrysler shareholder would receive 0.6235 of a DaimlerChrysler share.

Analysts and industry officials had differing opinions about when automakers should be looking for partners.

the deal, it was the best timing ever." Mr. Pischetsrieder of BMW suggested minivans a year at the factory.

would be better off waiting for the downturn. "In boom times everyone thinks it is time to huy," he told a German newspaper last week. "But that is the wrong time. The correct time is much more during a crisis." Asked when the next crisis is coming, Mr. Pischetsrieder saidin the next two years. "First in the U.S.A.," he said. "If we are lucky, it will not hit Europe before 2000."

■ Chrysler to Build Mercedes Cars

Chrysler plans to begin building Mercedes-Benz sport-utility vehicles at an Austrian factory, The New York Times reported from Traverse City, Michigan. The announcement provided some of

the first details of possible savings from -Chrysler's planned merger this autumn with Daimler Benz AG. The combined company, Daimler-Chrysler AG, will also have ordinary shares that will be traded in New York,

Germany and elsewhere with equal ease. said Thomas Stallkamp, the Chrysler president. Executives considered and rejected the more common approach of allowing trading in the United States of American depositary receipts, which represent claims on shares quoted on

foreign stock exchange Mr. Stallkamp said Wednesday that Chrysler planned to add a third shift as soon as possible at a factory complex in "It does not really matter where the Graz, Austria, to produce Mercedes cycle is," said one industry official of sport-utility vehicles there. Chrysler the Daimler-Chrysler deal. "In terms of already builds 50,000 Jeep Grand Cherokees a year and 50,000 Voyager

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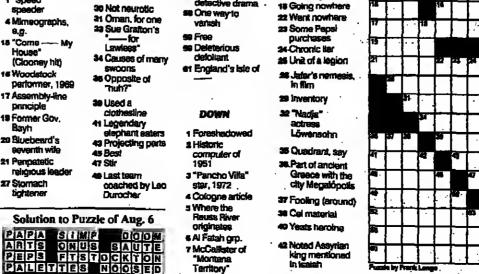
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# Landlocked Laos Awakens to Tourism

# Friendliness Amidst the Temples

By Martha Stevenson Olson

IENTIANE, Laos — Vientiane, the sleepy capital of half-forgotten, landlocked, xecopbobic Laos, is beginning to awaken to the possibilities of

tourism.

Uotil this spring, just getting a tourist visa was a chore requiring considerable time and money. Now, visitors from many countries are issued 15-day tourist visas for \$50 upoo arrival at Wattay Airport in Vientiane or at the Frieodship Bridge — the only bridge across the mighty Mekong River south of China which links Laos to the Thai town of Nong Khai. Those already with visas can choose from at least five other passages, overland or on the river, into the country.

There are other signs of reaching out: The government has designated 1999 as Visit Laos Year, with a corresponding frenzy that is tearing up streets in Vientiane - which has a population of 133,000 - and installing drainage and other infrastructure. A modern airport, incorporating stylish Lao lines, will soon replace drab Wattay, which pracocally shouts "Third World."

Those who cherish the old Laos occd not worry, bowever. Despite a stream of rush-hour motorcycle traffic and taxi drivers who are just learning to be greedy (there are still fewer cars here than most anywhere else in Asis), Vientiane - and certainly the rest of undeveloped rural Laos - retains its fresh, open face and charm. I met with only friendliness and politeness during my weeklong visit in May, hardly what one would expect considering the U.S. forces' bombardmeot during the Vietnam War.

Historically, Laos has been weak, and through the years has been bullied by powers as near as Thailand and Burma and as far away as Paris and Washington. Even its name is a hit second-hand — the handful of Lao kingdoms were collectively called les Laos by the 19th-century French colonizers, and the name has stuck. Although the official name is the Lao People's Democratic Republic, the population refers to itself and the country as Lao.

The French expanded their influence in the region at the end of the 19th century, signing a series of treaties with the Siamese, British and Chinese, During World War II, the French were replaced by the Japanese. After the war, the Lao independence movement gained momentum, and in 1953 France

granted Laos its sovereignty. With backing from the Viet Minh, the Lao Communists gained support through the 1950s and '60s and during the American engagement in Indochina, until finally, in 1975, the Pathet Lao took over in a hloodless coup and established the Lao People's Democratic Republic

Nowadays, there is a large presence of international aid organizations, since Laos is one of the least-developed Southeast Asian countries. In Vientiane, ournerous white four-wheel-drive vehicles from these agencies can be seeo bouncing through the mud and potholes. And many businesses, most notably restaurants, have been established by European expatriates.

It is the wide Mekong River and its

tributaries - crucial transportation arteries — that provide life support for Vientiane and much of the rest of the

The oldest parts of the capital are nearest the river. The area closest to it, next to Fa Ngum Road (a major thoroughfare being repaved and widened), is a rural patchwork of vegetable plots dotted with water huffalo, awaiting the periodic floods that will suhmerge it. Nearby are Buddhist temples tucked among Freech colonial buildings set on wide avenues, while boxy government offices and modern hotels are farther from the town center. As yet Vicotiane boasts no tall huildings; the highest, a few new hotels, are at most five stories.

### BARGAIN HOTELS

As tourism to Laos increases, investors are hurrying to build high-end lodging in Vientiane, and some wellworn hotels that were once top-rated now are quoting bargain rates to fill their rooms. The hotel where I stayed, the Asian Pavilion, was once one of Vientiane's better business-class hotels, and it still offers amenities like faxes and e-mail, a good restaurant and helpful desk service. The rooms are a bit mosty and faded, and some have windows that face walls. But it's a good value over all. I paid about \$22 a night for a double room, including a huffet



Traffic on a street in Vientiane, where there are the fewest cars in Southeast Asia; the Patuxai, a Laotian version of the Arc de Triomphe.

Planet guidebook (the first and still the best guidebook for Laos) were closed. Instead I made a pilgrimage to Wat Si Muang, the temple dedicated to the city itself. Howler monkeys in a boarded house greeted my arrival. Monks draped in saffron robes did odd jobs around the place. Like almost all Vientiane temples, Wat Si Mnang was destroyed by the occupying Siamese in the 1820s and was only rebuilt in 1915.

Consequently, Viendane does not have the oumber of ancient temples that

enrich Thailand and Cambodia.

Wat Si Muang teods toward a certain garishness, with brightly painted statues of demons guarding its entrance. The temple has two sections, with the cloth-draped stone pillar embodying the city's goardian spirit at the rear. A bronze statue of King Sisavang Vong, nominal ruler under the French and Japanese occupations, dominates a little park in front of the temple, where two of the city's main thoroughfares, Setthathirat and Samsenthai Roads,

merge.

I did eventually make my way to the more notable temples, like Haw Pha Kaew, a 1565 temple that was rebuilt between 1936 and 1942 and has now been turned into a museum. Ancient Buddha sculptures — some serene. some almost laughing — line the en-circling terrace, their eyes seemingly

On the day I began sightseeing in May, which happened to be a Tuesday, which gerns have been pried. In addition the temples highlighted in my Louely to these and the oumerons interesting to these and the oumerous interesting sculptures inside, the temple (that is to say, the original) has the added cachet of having once boused the so-called Em-erald Buddha, now in Wat Phra Kaew in the royal compound in Bangkok. Dur-ing the 16th to 18th ceoturies it was the focus of much intrigue and skirmishing with the Thais.

> SURVIVING TEMPLE Next door the presidencial palace dominates a fencedoff greensward, and across the street is Wat Si Saket, the only Vientiane temple not razed by the Siamese during the 1828 destruction, possibly because in style it is very Siamese. Built in 1818, it is not old by Asian standards, but it does have an interesting cloister sheltering literally thousands of Buddha images in various shapes and positions, many of them tiny figurines tucked into the bundreds of niches that dot the walls.

Inside the small temple, with its poignant painted murals, are more Buddha images and more niches. According to a posted note on the cloister, the temple's curator has counted 10,136

Buddha images in the temple complex. Possibly the most venerated spot in Vientiane is Pha That Luang, a gold-colored chedi—a holy site in the shape of an overturned bowl - with an elongated spire that is said to coutain a relic of the Buddha, and may date as a holy site to as early as the third century B.C. It,



too, was damaged by pillaging neigh-bors and was abandooed for almost a century. It has been restored twice, once in 1900 and once again in the 1930s. Climbing the smpa's several staircases and walking around the two terraces imparts, if not a holy feeling, then at least the calm that comes from surveying a lovely scene below, with the cloister that encloses the chedi, and two classic Buddhist temples, Wat That Luang Neua, and Wai That Luang Tai, flanking the stupa north and south. This stupa is a pilgrimage site for Laotians and Buddhists from across Asia, and visiting monks often can be seen climbing the edifice in their orange robes.

The last night, I dined at the Soukvimane restaurant. Here I had thick-

fleshed fish from the Mekong, cooked and chopped up with fistfuls of garlic and chili peppers, paired with socky rice from a woven rattan container, and wrapped up in savory leaves like basil and arugula. The flavors were strong and bracing, evocative of hig mountains and deep rivers. I washed it all down with a bottle of Beer Lao, the national

At other places in Vientiane I had eaten shrimp cocktail, duck a l'orange, and profiteroles. But here were the flavors and smells I would remember as the real Laos.

11.

Martha Stevenson Olson, who writes frequently about Southeast Asia, wrote this for The New York Times.

# Tracking Orangutans, Turtles and Clouds in Borneo's Wilds

By Donna Marchetti

OTA KINABALU, Borneo — "Just don't look up and talk at the same time," suggested Walter, our guide. As we entered the cave it quickly became apparent why.

The ground was covered with a thick carpet of spongy guano, a dead giveaway of the thousands of bats hanging from the dimly lighted ceiling. Flying rapidly in and out of the cave's entrance . - were tiny swiftlets whose nests bring high prices as the main ingredient for bird's oest soup.

I pointed my flashlight into a corner and saw that the reddish surface appeared to be moving. What I was seeing wasn't the cave wall but a mass of the giant cockroaches that breed in the guano. As my eyes adjusted to the dark, I began to see them everywhere — oo the railings, crawling oo the walkway, squirming on the ground. Among them, Walter warned, were probably poisonous centipedes. Sure enough, as we were leaving the cave a half-hour later, two small boys - perhaps children of the men harvesting the hird's nests held up a dead centipede for our inspection.

I was in the larger of the Gomantong Caves in the Malaysian state of Sabah in the oortheast corner of the island of Borneo. Though I had come to Borneo in March primarily to scuba dive. I decided to spend a week touring the parks and natural attractions in the ares first.

The third largest island in the world, after Greenland and New Guinea, the 287,000-squaremile (720,000 square-kilometer) Borneo is shared by three countries: Indonesia, the tiny Sultanate of Brunei and Malaysia, with the largest part in Indonesia. Sabah, one of two Malaysian states on Borneo, has an extensive system of parks that offer the nature-oriented traveler a wealth of exand animals that are rare or exist nowhere else.

Known for venomous snakes, prodigious leeches and insects of legendary proportions, Borneo possesses the stuff of nightmares. I was therefore fully braced for the writhing borde on the cave walls, and whatever else awaited at the next attraccion. But I was pleasantly surprised. For though I saw an abundance of wildlife, I never encountered anything more dangerous than the dead cenopede dangling before my eyes.

After leaving the Gomantong Forest Reserve, where the caves are, our group of six was driven to our lodgings on the banks of the Kinabatangan River in the village of Sukau. That afternoon, we boarded a small motorboat and headed for one of the Kinabatangan's tributaries, hoping to see rare proboscis monkeys that live in the area.

This shy species is endemic to Borneo, where it lives in lowland forests and swampy areas. Its distinguishing feature is its long droopy nose, more prominent in males than females.

MONKEY FACES The setting sun was still hright, making it difficult to see into the tangle of forest, though curious macaques came right to the river's edge. A bornbill streaked across the sky in front of us, releasing a resooant honk. We floated gently past a monitor lizard lazing on a hranch. As the light faded under the thick forest cover, what began as the low drone of cicadas accelerated to a roar that was oearly deafening. Cooversadoo was futile, hut I saw hy Walter's gesture that he wanted us to look into the ad-

jacent jungle.

There, hidden among the trees, were the reddisb-brown faces of the monkeys. A male made his way slowly toward the river, then scampered across a hranch to the other side. This was apparently a signal for all to follow, and for the

periences, including the chance to observe plants next few minutes we watched, fascinated, as a have been orphaned, kept illegally or abused by parade of monkeys crossed over just ahead of us.

silhouetted against the deepening sunset. We departed early the next morning for a hour-and-a-half drive to Sandakan, where we boarded a ferry to Pulau Selingaan in Turtle Islands National Park. In the Sulu Sca, about 25 miles oorth of Sandakan. Though all three islands can be visited, Pulau Selingaan is the only one that can accommodate overnight guests.

Green and hawksbill turtles come ashore at night to lay their eggs, which the park rangers remove to a protected area until hatching. At about 8 P.M., we were summoned to the beach where, hy the light of a lantern, we watched as a green turtle slowly and laboriously laid her eggs.

Her name was Maria, we learned. She had come ashore before and been tagged. Over an hour's time, Maria deposited 109 eggs in the sandy nest about three feet from where we stood.

We were to have another special event that evening: Five eggs from another nest had hatched while we were watching Maria. The tiny turtles were exercising their instincts, paddling the air furiously as we held them between our fingers. Under the watchful eyes of the park rangers, we carefully carried them to the beach and watched them make their way determinedly

The oext day, we made the 90-minute ferry ride back to Sandakan, where we were met and driveo just outside of town to the Sepilok Orang Utan Rehabilitation Ceoter.

The orangutan, the original "wild man of Borneo," gets its oame from the Malay words for "man" (orang) and "jungle" (utan). Found in the wild only on Burneo and the Indonesian island of Sumatra, the orangutan is fighting a hattle for survival as its habitat shrinks.

At the rehabilitation center, orangutans that

farm workers are taught survival skills and gradu-ally acclimated to life in their natural habitat.

We arrived at the feeding platform a little before the 10 A.M. meal and waited with 30 or so other tourists. The animals, most of them slightly smaller than an adult human, were already beginning to gather, some swinging through the trees, others strolling casually up the walkway, where surprised visitors cleared a way for them.

The adults, with their luxuriant orange-brown fur, were all females, we were told. Some of them carried infants on their heads; like babies everywhere, they were squirming and eager to explore. Though we were asked not to touch the apes, they seemed quite willing to be close to humans and unfazed by excited children and snapping cameras.

### MILK AND BANANAS

While most wandered onto the platform for their purposely boring meal of milk and bananas (to encourage independent foraging), some stayed among us. One solemn-looking adolescent was missing an arm, the victim, we were told, of enraged farm workers who found her searching for food on their plantation. Walter had warned us that orangutans can sometimes be aggressive, snatching purses or even articles of clothing, but there were oo tricksters among us. It was easy to feel sympathy for these animals with their expressive faces and gentle manner.

I flew from Sandakan to Sabah's capital, the modern, teerning city of Kota Kinabalu, which was my base between excursions. The city, about 140 miles across the province, oo its west coast, was hot and crowded, and I wasn't disappointed that I had no time to explore, but the Hotel Shangri-la offered a comfortable place to rest.

It was a two-hour drive northeast to Kinabalu Park, where I planned to spend two days hiking and exploring with my guide, Mr. Liang.

Another half-hour beyond the main entrance

was Poring Hot Springs.
Our first stop was the canopy walk, a narrow wood-and-rope system of walkways suspended high above the forest floor. Though it took a few minutes to get used to the bouncing walkway, we

were rewarded by a hird's-eye view of the The hot springs, developed by the Japanese during World War II, consist of steaming sulfurous water that is channeled into tubs of various sizes. The tubs are equipped with faucets for both hot and cold-water, allowing visitors to control the

temperature. The next morning, Mr. Liang and I began our hike in the main section of the park. At an elevation of about 5,000 feet, this area is much cooler than the steamy lowlands I'd been trav-

eling in, and the air was invigorating.

The focal point of the park is 13,455-foot Mount Kinabalu, the highest mountain between the Himalayas and New Guinea.

From the trailhead at 6,000 feet, we hiked about halfway to the summit. The trail led us from tropical rain forest to oak forest, and finally to the cloud forest, where dwarf rhododendrons

and gnarled tea trees looked surrealistic in the swirling vapor of the clouds surrounding us. By the time we reached our turnaround, each step required arduous effort in the thin air, and v<sub>s</sub> was a relief to begin the descent. Nine hours after we had begun, we arrived at the trailhead where we started that morning.

Donna Marchetti, author of "Around the Shores of Lake Erie." wrote this for The New



# Shades of Lyon in a Paris Bistro

By Patricia Wells International Herald Tribune

 Francoise Petit promised berself four things: She would never marry a chef: she would never own a restaurant; she would never live in Paris, and she would never have a daughter

who was a Virgo. Well, now the 34-year-old Françoise Constantin has all four, and she is as

giddy as a schoolgirl.

At the age of 17, she began working as a waitress at the quintessential Lyonnais histro Café des Federations. During her 13 years there she and her patron, Raymond Fulchiron, became minor celebrities in the food world, as gastronomes came from far and near to hear their hanter and chow down on saucissons chauds, andouillettes, blanquette de veau and platters of weeping Saint-Marcellin cheese, all washed

down with tumblers of sturdy Morgon. In 1994 Francoise left Lyon for Paris and promptly broke her three other promises. Since April she and her hus-

band, the chef Daniel Constantin, have pots that he brought from the Eiffel Pyrenees-Cevennes, the classic Parisian bistro that was also known as Chez Philippe and run hy Philippe Sebource until his death least year. With hams and sausages hanging from the rafters, colorful old tile floors and rustic stone walls, the bistro remains thankfully unchanged.

platters of sausages and cured meats and cassoulet — they have also added such

The 43-year-old chef's motto is: "It

loaded with top-quality cured bacon; a at rich and densely flavored pork sausage. and those Saint-Marcellin cow's milk cheeses from Mere Richard in Lyon. Chef Constantin, who has been at the stove since the age of 14, is a classic

French cook — a dying breed of those who have French cooking in their very veins, and it shows in everything that comes from his spotless kitchen.

honesty one rarely sees today in simple bistro fare, The chef's battery of sturdy copper francs.

been happily installed at the Anberge Tower after working there for a decade attest to his determination and respect for French cuisine.

"You can't make a Bearnaise in stainless steel," he likes to say.

Daily specials here might include thick slices of exquisitely flavorful saddle of lamb seared on an ancient gas And while the Constantins have grill; a rich and creamy potate gratin; maintained many of the old standbys - and an impeccably prepared plateful of

Lyonnais classics as robust green salads is simple to do, but difficult to succeed

Wines all come from small producers and have been selected by Françoise. Try the silky have bles cru Beaujolais Domaine du Clocher from Jean-Noel Melinand, or the fresh and fruity Coteaux do Lyonnais, available by the glass or the traditional Lyonnais por. Auberge Pyrenees-Cevennes, 106, mes from his spotless kitchen.

The food has soul, character and an 01-43-57-33-78. Closed Saturday lunch and Sunday. Credit card: Visa. 148-

franc (\$25) menu. A la carie, 160 to 210

### *LEISURE*

# Help for Fearful Fliers (You're Not Alone)

By Susan Keselenko Coll

ASHINGTON — Dan Bloom, a 49-year-old American living in Taiwan, has been afraid to fly since the engine of a DC-3 prop plane he was on in Alaska caught fire about 15 years ago. Nevertheless, when Bloom fell in love with a Japanese woman, he gave him-self a pep talk, swallowed four Vali-um tablets, and boarded a plane to

Bloom says his original intention was to leave the country after 90 days in order to obtain a work permit, but when the time came, he could not bring himself to fly again. He had just found a job, he adds, and could not take the time off to travel to Korea or Taiwan by boat. When his medical appeal was denied by the immigration authorities, he chose to become an illegal alien rather than get on another airplane, a status that, five years later, won him a 41-day jail sentence followed by a police escort in handcuffs back to the dreaded airplane.

While the particular circumstances of Bloom's story are extreme, his decision to risk criminal prosecution rather than get on an airplane is a situation that some 25 million Americans can prohably relate to.

Aviophobia — often used inter-changeably with aerophobia, which technically speaking, means an abnormal fear of air or drafts - can range in severity from the sort of inflight jitters eased by a glass of wine or a tranquilizer to terrifying panic

A former navy pilot who did not wish to be identified says that when he suffered an adrenaline rush ac-

ARTS

companied by sweaty palms and a racing heart on a commercial airliner three months ago, his biggest concern was not death, but rather, "am I going to make a total fool out of myself?"

The approaches to dealing with the phobia are as varied as the symptoms. A handful of home-study courses aim to demystify the flying experience by saturating participants with the often arcane details of aerodynamics. Private counseling sessions with psychiatrists attempt to get at the root of the problem, which often tends to have more to do with issnes of loss of control rather than with airplanes, per se. And group seminars, held at major airports or airport hotels, literally walk participants through the procesa of flying.

"snails into eagles," estimates that the airline industry loses close to \$8 billion a year in potential ticket sales because of fear of flying.

Linsley's Pegasus Fear of Flying Poundation Inc. offers a variety of self-help options ranging from a kit which comes with a book, audio and videotape that retails for \$69.95, to corporate training sessions that cost as much as \$5,000 per day.

Similarly, the Institute for Psychology of Air Travel offers a program that includes an audio tape that talks one through a short flight from Portland. Maine, to Boston, explaining at every juncture what the pilot is doing, and coaching nervous passengers through a regime of breathing exercises.

BIYOND SAFETY CONCERNS FOR

many fearful passengers, however, a lack of understanding of the relative safety of air travel is not the problem. Indeed, many a phobic can rattle off the statistics: Flying is considered to be 100 times safer than driving a car, the probability of being killed in an airplane crash is one in 11 million while flying domestically; one in 44 million flying internationally on a major carrier; and a four-engine jet can land safely on just one engine, according to a statistical Weh site devoted to aviophobics:

www.afraid2fly.com/ statisticallyspeaking.html. "Education is very important," said Robert DuPont, a clinical professor of Psychiatry at Georgetown Medical School whose book, "The Anxiety Cure," will be published later this summer.

But sometimes the problems have ington-based writer.

GUIDE

David Linsley, a retired United Airlines pilot who has established a contage industry aimed at turning "snails into eagles," estimates that system," DuPont said, "a thurderstorm in the brain."

The only thing to do for those who suffer from anxiety, he said, is to fly "over and over again." DuPont also cites the value of such medications as Valium and Zanax even after a patient has been through counseling.

Albert Forgione, founder of the Institute for Psychology of Air Travel, believes that the largest problem facing passengers is their fear of not being in control.

Certain otherwise inexplicable midflight anxiety attacks are simply a reflection of harried modern society.

he says.

"A person gradually gets used to a very stressed lifestyle," he explains.

"They get on an airplane in e highly tense state, not aware they've adapted to it. You get some turbulence or the have an anxiety attack."

Such was the case with the former navy pilot. Although he had logged more than 2,000 hours at the controls himself, he had what he describes as a panicattack at 35,000 feet somewhere between Baltimore and Jacksonville, and has been unable to fly without the help of medication since.

"I know intellectually that nothing

is going to happen. I'm not going to die. The plane is going to land. But you can't tell your body that, 'he said. For further and international information, contact the Institute for Psychology of Air Travel:

www.ads-online.cam/InsPsyAir/ tabe.htm

Susan Keselenko Coll is a Wash-

AUSTRIA

20er Haus, tel: (1) 799-6900, closed Mondays. Continuing/ To Aug. 30: "Arte Povera From the Goetz Collection." Installations and sculptures by Italian artists of the mid-1960s who used simple materials such as sand, stone and

BRITAIN

Royal Scottish Academy, tel: (131) 556-8921, open daily. To Oct. 11: "William Gilfies Centenary Exhibition." 200 paintings by the Scottish artist (1896-1973). Includes Scottish landscapes, portraits painted in the 1920s and "30s and still lifes Edits his later wars. and still lifes ::dc: his later-years.

British Museum, tel: (171) 323-8525, open dally. Continuing/ To Sept. 20: "The Print in Stuart Bri-tain, 1603-1689." A survey of Brit-

Ish printmaking under the four Stuart kings in the 17th century. www.british-museum.ac.uk DENMARK

HUMLER/ Louisiana Mus Art, tel: 49-19-07-19, open daily. Continuing/ To Aug. 30: "Louislana at 40: The Collection Today." Works from the collection that slarted with Danish Modernism

and has expanded to include post-

World War II art. www.louisiana.dk

FRANCE

Jardins du Palais-Royal, Open 7 A.M. to 11 P.M. Continuing/ To "Jacques Lipchitz." Aug. 31: Sculptures by the Lithuanian-bom artist (1881-1973) are exhibited in the 18th-century gardens.

Fondation Maeght, tel: 04-93-32-81-63, open daily. To Oct. 18: "Otto Dix." A selection of paintings. drawings, sketches and engrev-ings by the German artist (1899-1970). The realistic World War i sketches and engravings precede the disillusioned depictions of life in the Weimar Republic that led to his being branded a "degenerate" artist by the Nazis. Aftar World War If, Dix painted mainly reli-

gious subjects. GERMANY

Museum Ludwig, tel: (221) 221-2382, closed Mondays. Continu ing/ To Oct. 11: "Robert Rauschenberg Retrospektive." A chro-nological exhibition of paintings, collages and installations by the collages and installations of American artist (born 1925).

Vitra Design Museum, tel: (7621)
702-3200, closed Mondays. Continuing/ To Oct. 11: "Frank Lloyd
Wright: Die Lebendige Stadt."
Drawings, photographs, architectural models and furniture document the work of the American architect and designer (1867-1959). www.vitra.com

GREECE

Misseum of Cycladic Art, tel: (1) 722-8231, closed Sundays and Tuesdays. Continuing/ To Aug. 31: "Edward Lear: The Painter of Greece," Watercolors created by the British artist (1812-1888) during his travels.

HUNGARY

Hungarian National Gallery, tel: (1) 175-7533, closed Mondays. To Sept. 6: "Jozsef Rippl-Ronal." retrospective of more than 200 works by the Hungarlan painter (1861-1927). Rippl-Ronal fived in Paris from 1887 to 1900 and became a member of the Nabis, before returning to Hungary.

ISRAEL

Israel Museum, tel: (2) 6470-8811, open daily, Continuing/To Sept. 1 "In the Light of the Menorah." Looks at how the seven-branch candelabra was transformed from a sacred object to a symbol of de-

ITALY

Paiazzo dei Diamanti, tel: (532) 20-99-88. To Aug. 30: "Thomas Gainsborough." Paintings and Gainsborough." Paintings and drawings by the British artist (1727-1788). Gainsborough's pertraits of tashionable personalities brought him fame in London where

www.imj.org.if

he lived after 1774. Palazzo Pubblico, tel: (577) 292-209. To Sept. 13: "Tony Cragg." The medieval city half is the back-drop to the works of the British

sculptor (born 1949). JAPAN

lsetan Museum, tel: (3) 33-52-11-11, closed Wednesdays. To Aug. 31: "Boijmans van Beuningen Museum: Art of the 20th Century." On loan from the Rotterdam museum, works by Munch, Klee, Chagail and Man Ray.

SINGAPORE

332-3659, closed Mondays. To December: "House of Jade: The Aw

A 1926 Futurist landscape by Ivo Pannaggi, on view in Lausanne at the Fondation de l'Hermitage.

Boon Haw Collection." Features e selection of jade carvings from the Qing Dynasiy (1644-1911), as well as asper, quartz and agate ornaments. www.museum.org.sg/shm/

SOUTHKOREA

limin Museum of Art, tel: (2) 721-7772. To Aug. 10: "Noetalgle in 400 Years: The Shim Su-kwan Family's Ceramic Art." Four centuries ago, when Japan Invaded Korea Korean craftsmen were sent to Japan to develop and teach their ert. The exhibition features 140 ceram-ic works created by 14 generations of potters in the Shim family.

SPAIN

tel: (4) 435-9000, closed Mondays. To Oct. 22: "Chine: 5,000 Anos."

spanning the Neolithic period to the present day. The traditionel art section of the exhibition features mportant recent archaeological discoveries, masterworks of landscape painting and rare religious sculpture. The section devoted to the ascond half of the 20th century explores modern Chinasa art.

www.bm30.es/guggenheim SWITZERLAND

Fondation de l'Hermitage, tel: (21) 320-50-01, closed Mondays. To Oct. 11: "Futurisme, 1909-To Oct. 11: "Futurisme, 1909-1944: L'Italie Face e la Modernite." Giacomo Balla, Umberto Boccloni, Carra, Luigi Russolo and Gino Severini were the main representatives of the Italian movement that started in the 1910s. It was the first attempt at a deciction

machines and new technologies. The exhibition brings together 130 paintings, sculptures and works on

UNITED STATES

J. Paul Getty Museum, ret: (310) 440-7300, closed Mondays and majorholidays. To Oct. 11: "Walker Evans: New York." New York — its people, its streets, its signs, its architecture - was a persistent theme in the work of Walker Evans, better known for his Depressionere images of the rural American South, The exhibition of more than 100 photographs spans the period from 1927 to 1963. www.getty.edu

NEW YORK ropolitan Museum, tel: (212) 570-2791, closed Mondays. Continuing/ To Aug. 29: "Prayerbook for a Queen: The Hours of Jeanne d'Evreux." Pages from the Hours, illuminated by the French artist Jean Pucella in the early 14th century.
www.metmuseum.org

Arthur M. Sackler Gallery, tel: Directed by Richard Donner. U.S. (202) 357-2700, open daily. To Coming attractions for "Lethal V Jan. 3: "The Buddha's Art of Healing." Paintings from a medical treatise document the corpus of Tibetan medical knowledge and its weaves spiritual, magical and ra-tional healing practices. This 1920s copy of a 17th-century document was used to train doctors in a remote province of the former Soviet Union and was confiscated uring Stalinist purges. http://160.111.7.240/organizs/

museums/freer/start.htm **CLOSING 500N** 

Aug. 9: "A Coffector's Cabinet." Nanal Gallery of Art, Washington. www.nga.gov ug. 9: "Posters American Style." ional Museum of American Art, Washington. www.nmaa.si.edu

Aug. 11: "Treasures of African Art from the Tervuren Museum." Museum for African Art, New York.

Aug. 9: "Raku: A Dynasty of Japanese Ceramists." Suntory Museum. Tokyo. Aug. 9: "Cheng Chong Swee" and "Lim Tze Peng." Singapore Art Museum, Singapore.

ww.museum.org.sg

Aug. 9: "Henry Moore." Palais Aug. 10: "Arnold Bocklin, Giorgio de Chinco, Max Ernst: Eine Reise ins Ungewisse." Nationalgalerie, of modern life being penetrated by Berlin.

### MOVIE GUIDE



plane has to circle, and boom - they James Urbaniak (left) and Thomas Jay Ryan in "Henry Fool."

HENRY FOOL

Directed by Hal Harrley, U.S. In "Henry Fool," the fascinating and often infuriating new film from the idiosyncratic Hal Hardey, the title character spends an awful lot of time yammering about the difference between poetry and pornography, as though there were some thin, indefinable line between these things. And maybe there is. Maybe, at their extremines, beauty and ugliness no longer are at odds but actually begin to converge. In a similar way, the movie is a paradox, a bundle of contradictions, many of them lyrical, more of them utterly frustrating. Set in the home and squalid basement rental unit of the working-class Grim family,

"Henry Fool" has the grimy look of cinema verité. Faulknerian in their wretchedness, the Grim clan consists of mother Mary (Maria Porter), shuffling around in a honsecoat and doped-up haze of prescription medication; daughter Fay (Parker Posey), a foul-mouthed, chain-smoking nymphomaniac, and son Si-mon (James Urbaniak), a painfully shy garbage man who speaks, on the rare occasions when he opens his month, in the abortive cadence of a stalled automobile. Into this domestic gruel steps a drifter with the Dickensian name of Henry Fool, played by the stage actor Thomas Jay Ryan. When the selfstyled philosopher and intellectual with a shady past moves into the Grims' downstairs apartment, he carries not much more than a stack of dog-eared composition books filled with the confessional chicken scratchings of his life story. Before long, the odd bird and aspiring writer has insinuated himself into their household in several expected — and unexpected — ways, Not only does he make love to mother and then danghter (isu't that de rigueur in this sort of scenario?), but he inspires the inarticulate Simon to take up pencil and paper himself. What should result but epic verse? Hartley is better and smarter than the Hollywood herd and is to be commended for grappling with the nature of art, creativity and friendship in "Henry Fool," hat the price of admission to his elite club of admirers - the willingness to accept his inaccessibility — is a price that most people may be unwilling to pay. (Michael O'Sullivan, WP)

LETHAL WEAPON 4

Coming attractions for "Lethal Weapon 4" boasted a chase sequence in which Mel Gibson is dragged behind a trailer truck on a crowded freeway. Brakes screech, drivers veer and vehicles go bang while Gihson endures this midnight movie. (Stephen Holden, NYT)

nightmare until Danny Glover manages to hoist him off the pavement at high speed. After this, the two stars crash straight through an office building in their runaway car. Pardon me for having groaned in anticipation of what, in the full perspective-warping heat of the summer movie season, turns out to be one of the nicer blow-'em-ups around. The characters remain funny and likable, and they all live on remain funny and likable, and they all live on Earth. The formula still has some zip. Scenes unfold with that antediluvian, pre-MTV storytelling logic that some of us still find helpful, and the story actually has a few substantial ideas in mind. (It's pro-friends and family; it's anti-slavery.) These are real virtues even if only relative ones. After all, "Lethal Weapon 4" is still a film whose idea of high drama is watching a car get pushed in front of an oncoming train. It's also a flamboyant, tongue-in-cheek adventure fueled hy jokey camaraderie and constant forward motion. Though it first emerged as one of the more recklessly violent of action franchises, the "Lethal Weapon" formula has come to seem substantial, beside newer and dopier actionadventures. The characters have aged well and the storytelling wisely made room for new blood. And for sheer madness, a furious long fight between Gibson and Jet Li extends the boundaries of bone-crunching for aging movie heroes everywhere. (Janes Maslin, NYT)

Directed by Darren Aronafsky. U.S. You don't have to be a math whiz to appreciate the heady notions Darren Aronofsky tosses around in his homemade dehut film The movie, made for just \$20,000, offers a hrash horror-comic variation on a familiar type, the paranoid wild-eyed genius who is so obsessed with proving a theory that he goes mad. Before he's finished experimenting on his home computer, Maximilian Cohen (Sean Gullette), the film's central character, has shaved his head in order to plug his computer into a specific area of his brain. If "Pi" suggests a zany spoof of the Frankenstein myth, the movie poses age-old questions about the relationships between genius and insanity, mathematics and numerology, mysticism and scientific truth. Such questions may have no clear-cut answers, but considering them forces you to contemplate what exactly is meant by the word intelligence. But us smart as it is, "Pi" is awfully hard to watch. Filmed with hand-held cameras in splotchy black-and-white and crudely edited, it has the style and attitude of a no-budget





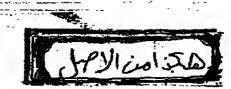
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(now you're talking)

It's all within your reach.





# 'So Many Sick People' in Zimbabwe, Now the Deadly Center of AIDS

By Michael Specter New York Times Service

TSHOLOTSHO, Zimbabwe — They loaded Mcdonald Mafu into the donkey cart about 10 minutes after the doctor signed his papers. He had been dead for two days — one less than be lived — but it took his mother a while to make it to the from the border of Botswana. district hospital so far from her home.

The whole transaction lasted about two minutes. Dr. Bart Vander Plaetse took a piece of paper with the words "Notice of the Death of a Person' printed on top. He wrote down the dead boy's name and for his age he scribbled in a

The optimism of the West is a cruel fantasy in Zimbabwe. There are no treatments, no cure, little with a sad shrue. "It'll let his received hope and — in almost every countries have a shrue." with a sad shrug. "It'll let his mother hury

whack of a whip as two donkeys hanled the body to the burial ground across the road. Medonald's nurses who must attend to the sick people around cardboard box that held their boy. Several wom-

en walked behind softly singing funeral songs.

There were no men at the service: Mcdonald's spare but spotless clinics of Zimbabwe — where

'You almost can't keep track of it all," said Dr. Vander Plaetse, a gentle, 32-year-old in-

"There are just so many sick people," he said. they are infected with HIV, the virus the "We want to control it all and we try. But it's AIDS, and most do not want to know. getting harder. There are times when it seems like

s getting out from under us." Zimhabwe has suddenly turned into the deadly center of the AIDS epidemic. Recent studies fraction: 1/52. Since he had no idea of the cause suggest that it may have the highest infection rate

him."

The next sounds floating through the doctor's window were the thud of a cow bell and the whack of a whip as two donkeys hanled the body

The savage virus has left few people untouched: It has devastated families, communities and cities. But seen through the weary and often bloodshot eyes of the beleaguered doctors and

mother and grandmother sat in the cart with the them, AIDS is just another word for dying - and

on each person's health every year, most African countries have no money for tests, for fancy drugs or for complicated support networks. Despite the magnitude of the epidemic, the

great majority of people in Africa have no idea if they are infected with HIV, the virus that causes

Zimbabwe once had a health system that was the envy of southern Africa. Yet, fueled by AIDS and by increasing poverty and instability, illness has begun to overcome the country. Tuberculosis, hepatitis, malaria, measles and cholera all wholly preventable — have surged mercilessly. So have infant mortality, stillhirths and sexually transmitted diseases.

In 1996, during the last heavy rains, this region in the center of Zimbabwe reported 82,000 cases of malaria - which means that more than half of the local population got sick.

In 1989, 100 people died of malaria in Zimbabwe. Last year the figure was 2,800. Reported cases of tuberculosis — the sentinel illness tif poverty and social decline — have risen to 35,000 last year from 5,000 in 1986. This year it

If the effects of it all are sometimes impossible dusty roads - to get here.

tion's health - was 61 in 1993. By the end of the century, it will fall to 49.
"AIDS is the basic fact of all our lives," said

Dr. Vander Plaetse, whose workday runs from dawn to dusk and includes dealing with everything from setting bones to major surgery. "But it is not the only fact. And to be honest, it is not a fact we can do that much about.

'It may sound callous," he added, "hut there may be better ways to spend our time and money than treating a complicated disease we will never have the money or the drugs or the ability to cure." It is an understandable comment from a man who could not send his nurses out in the community in July to distribute vaccines because the Health Ministry had no money left to huy gas

The epidemic has already killed 10 million people in sub-Saharan Africa — 90 percent of the world's AIDS deaths. Because there is so little hope of access to the best drugs, at least 20 million more will almost certainly die.

Tsholotsho is a two-hour drive from Bulawayo, the nearest hig city. Most patients walk
—sometimes for days across dried river beds and

father died a few months ago. His grandfather died a few months ago. His grandfather aspirin is available only a third of the time — to believe, they are also impossible to ignore:

died last year. A brother died the year before. And three uncles are also gone.

"that thing" may not even be the one that matters most. With an average of less than \$10 to spend considered the most reliable barometer of a name of the last year. A brother died the year before. And three uncles are also gone.

"You almost can't keep track of it all "said." ing, checking the health of pregnant women, seeing dozens of patients with skin rashes, eye diseases, malaria and tuberculosis.

A women in a bright red dress, wrapped in a yellow polyester blanket, appears. She is wearing tennis shoes and says she is losing weight, bleed-

ing and having dizzy spells.

He examines her but it is hard to guess her

"Does your neck hurt yon?" be asked, after

ramining her swollen glands. She shrugs.
"Tell her we will give her tablets." Dr. Vander

Plaetse says to a nurse who helps him negotiate the roughest spots of the Shona language. "We will give her pills to help her retain water. And we will give her some vitamins.'

It's not much, but there is not much else he has to offer. The woman might have malaria or pneumonia or diarrhea or TB or dysentery. Or all of them, or AIDS.

She looks at the pills she is handed as if they were pythons. Then she walks out. The next patient is coughing too hard to talk. Dr. Vander Plaetse decides to let him sit in the hall for a few moments, until he feels better. He never comes

# Georgian Capital Seeks A Rescue From Ruin

Historians Struggle to Save Tbilisi's Old Town

By Stephen Kinzer

the Soviet Union by short-sighted planners who razed countless old neighborhoods to make way for ugly con-crete apartment complexes. But within one's own four walls is little survive it did, and today it is a delightful more than a form of imprisonment, maze of cohhled streets, twisting lanes.

Although street patterns in the control of the con colorful wooden facades and mar-

velous architectural detail. Much of the old town was declared a historic district in 1975, but although that decree has preserved much of its rials, but the greatest threat to the character, little has been done to re-neighborhond is decay and neglect. store crumbling facades and interiors. Now architectural historians are map- where Silk Road traders once ping the area house by house, and hope gathered, 22 families live in tiny to attract international help for a large-

styles ranging from Russian and French classical to Art Nouveau. Many could be classified only as highly eclectic. Spiral staircases wind up along ivy-covered facades to deep wooden balconies. Leafy parks Persian archuses. conies. Leafy parks. Persian archways, complex on the edge of Thilist. delicate masonry patterns and court-yards shaded by spreading mulberry decayed that little more than a brick trees contribute to the visitor's sense of shell remains. Garbage is piled in what having escaped the modern world.

The old town, which is spread over several hundred acres, is home to lamented Maia Mania, one of the arthousands of families. Many are poor, chitectural historians plotting a hut some are young professionals who strategy to rescue the old town, as she have begun fixing up old buildings and opening restaurants, cafés, boutiques and art galleries. Reflecting Georgia's Mania and three colleagues are trying history of religious tolerance, there is to decide which buildings are best cannot only a Georgian Orthodox cathe- didates for careful restoration. Lack of dral but also a mosque, a synagogue, a money is her higgest challenge, but Russian Orthodox bell tower and an Armenian Gregorian church,

area, we can't let it fall apart," a "Tbilisi lacks a good system for gallery owner said. "Unfortunately, controlling groundwarer," Ms. Mania some of the people who have their said. "Dampness seeps up and eyes on this neighborhood just want to troys more than the Soviets did." wreck what makes it so interesting. We need to find a way to fix it up

without ruining it." Tbilisi has been the capital of Georgia since 458, and what is now the old town is its traditional center. It has been sources on places that are especially destroyed several times, most recently by Persian invaders in 1795. Among have especially great potential," she the district's historical monuments is said. "Most people here understand one commemorating the sacrifice of that the old town is something very the "300 men of Aragvi," warriors precious. We have to go further, to who died while rescuing Georgia's show them that it is a monument of king during the 1795 battle.

Georgia's location astride ancient the right care it could again be trade routes has made it a melting pot something truly glorious."

for Asian and European influences, and both are visible in Tbilisi's old town.

Many homes seem to have been built TBILISI, Georgia - No one here with an eye toward providing open seems to know how Toilisi's old town space on terraces or in gardens, a testavoided the devastation wreaked across ament to the communal nature of Georgian society. Georgians like to say that friends and good company are among

> Although street patterns in the old town are ancient, most of its huildings date from the 19th and early 20th centuries. Some are being defaced by tasteless renovation and poor mate-In a 150-year-old caravansary,

rooms and share a single toilet.

scale preservation program.

Buildings in the old town are in huilding, perhaps turning it into an huilding, perhaps turning it into an

was once the hasement.

"Ton much shame, too much," passed by one morning. Working with a grant from the World Bank, Ms. hardly the only one. The old town is full menian Gregorian church.
"There's so much history in this composing bricks and rotting beams.

said. "Dampness seeps up and des-

While hoping for outside help, Ms. Mania and her colleagues are drafting a plan to create "urban islands" of individual blocks or huildings. "This way we could concentrate our rebeautiful or especially endangered or worldwide importance and that with



Hanan Ashrawi telling of her resignation Thursday. Abdul Jawad Saleh, discussing his decision to quit.



### PALESTINE: In Rebuke to Arafat, 2 Resign From His Cabinet

estinian Authority, which rules Gaza and

parts of the West Bank. Along with the stalled pace of progress toward a broader peace with Israel. the chief causes have been worsening economic problems in Palestinian-rule areas and the nearly universal perception that his Palestinian Authority is corrupt and inefficient.

But the departures seemed unlikely to evolve into any real threat to his lead-ership, Palestinian analysts said.

members to the 18-member cabinet, but ism Ministry. Mrs. Ashrawi announced widely seen as corrupt.

Mrs. Ashrawi, who was one of two international visibility as the spokes- preference. woman for the Palestinian delegation to the Middle East peace conference in Madrid in 1991. She has appeared fre-

In the shuffle that he announced on Wednesday, Mr. Arafat added 10 new As part of the shuffle, Mr. Arafat had asked Mrs. Ashrawi to move to the Tourhe did not dismiss any of those most that she had decided not to accept that appointment, and she made clear that the reason for her refusal to join the new female members of the cahinet, gained team was based on more than a joh

"Being part of this new formation in my opinion will not achieve anything," she told reporters in the West Bank town that he found credible reports that as part of a "genuine change and reform

### **CONGO:** Rebels Widen War

Continued from Page 1

shasa from the country's sole seaport. Despite these troubles, Mr. Kabila promised a long war, saying that "or-dinary Congolese" may be called upon

to take up arms to defend the country. Mr. Kabila has been anything but a broadly popular leader since overthrowing Mr. Mobnta, but the government's sharply nationalist rhetoric has apparently struck a powerful chord, at least in Kinshasa and other areas of the west, where interference in the country's affairs by Rwanda is deeply resented.

The depth of anti-Rwandan and anti-Tutsi feeling in much of western Congo raises questions about whether a rebel movement like the current one can credibly seize power even if it manages to defeat Mr. Kabila.

"They have been trying hard to broaden their base in the last couple of days and find some non-Tutsi names to identify the rebellion with, but this is going to be a real problem later," said a European diplomat. "The people of Congo are not likely to accept any kind of

movement that springs from Rwanda."

At a demonstration attended by thousands Thursday in the capital, Congolese youth carried banners denouncing the Rwandans and the Tutsi in particular, chanting slogans never to surrender to

their country's smaller neighbor. There have also been persistent reports since the start of the uprising of a campaign of house-to-house arrests of Congolese Tutsi in the capital, in which hundreds of people have been led away

to detention. A Western diplomat who spoke on the condition of anonymity said Thursday quently on American television, and she of Ramallah. She described herself as many as 800 Tutsi have been interred at had served since 1994 as minister of part of a "genuine change and reform Camp Tshatshi, a military base on the outskirts of Kinshasa.

# CLINTON: Starr Inquiry Enters Endgame as Lewinsky Testifies Before the Grand Jury

Continued from Page 1

and the congressmen seated on the lawn before him, gave no sign of hearing questions shouted loudly and insistently by a reporter: "Are you concerned about ewinsky testifying today? ... Are you sticking with your story, your denial?" Later, a White House spokesman, Barry Toiv, said that the president "has

not expressed any view to us" on Ms. Lewinsky's testimony. Mr. Toiv quoted Mr. Clinton as saying only that if the testimony meant "we're nearing the end of this four-year, over \$40 million investigation, then that would be a good

thing."
Ms. Lewinsky's testimony has been keenly awaited since Mr. Starr began investigating her relationship with Mr. Clinton on Jan. 26. He was authorized

days earlier to include it in an inves- indictment of a sitting president, which House lawyers from having to answer tigation that began as an inquiry into land

dealings by the president and his wife. The president has no plans to comment his scheduled testimony Aug. 17 from the White House, That extraordinary appearance will be broadcast by closedcircuit television — the signal will be scramhled for security - to the jurors in the courthouse, several blocks away.

credibility was automatically a question: If she in fact tells the jury that she and Mr. Clinton had a sexual relationship, then she will be conceding that she lied Jan. 7 when she signed an affidavit in the Paula Jones sexual harassment case

denying such a relationship.
Nonetheless, opinion polls show that by a very slender margin, Americans were outnumbered by the more than 100 would be more likely to believe her than him about such a sexual affair.

Because Ms. Lewinsky is testifying under a sweeping grant of immunity under a sweeping grant of immunity—
extended as well to her mother, Marcia
Luck, Monica." 'I just want her to know Lewis, and to her father, Bernard Lew- that we wish her well," he told a gaggle insky — the grand jury might be expected to believe that she has no reason now to lie.

In the end, legal analysts say, the grand jury's assessment of Ms. Lewinsky's The Washington Post reported earlier: credibility might not matter. Mr. Starr may elect not to use the jury to seek an

might be barred by the constitution. Instead, legal analysts say, Mr. Starr

may use the grand jury proceedings to complete his investigation in order to provide a fuller report, expected by late next month, to Congress in view of popublicly on the matter, aides say, before complete his investigation in order to tential impeachment proceedings. Democrats have tried to play down

that threat. On Capitol Hill, the House minority leader, Richard Gephardt of November midterm elections. Anticipation of Ms. Lewinsky's ap-

media executives about ways to maintain decorum. On Thursday, tourists and passers-by

reporters and cameramen.

One tourist, George Hancock of Bowling Green, Kentucky, carried a bright

■ Reviving Executive Privilege

Susan Schmidt and Ruth Marcus of

certain questions in the Lewinsky investigation by reviving an executive privilege claim he abandoned two

Breuer cited executive privilege in refusing to answer certain questions put to him Tuesday when Mr. Starr summoned him to the grand jury, legal sources said. While it was unclear how Ms. Lew-insky's testimony would play out, her Illinois, said it would be a "grave mis-take" for Mr. Starr to send a report to both sides, appeared before the chief Congress in the weeks leading up to the November midterm elections.

U.S. District Court judge, Norma Holloway Johnson, on Wednesday, the day after Chief Justice William Rehnquist pearance was so intense that courthouse refused to block Mr. Breuer's testimony security officials had met with news on a claim of attorney-client privilege.

After an appeals court ruled last week that attorney-client privilege does not-shield the White House deputy counsel Bruce Lindsey from questioning, Mr. Starr quickly moved to secure testimony from Mr. Breuer and was expected to call Mr. Lindsey and other White House lawyers as well.

But the new executive privilege claim conld spark a separate legal case, delaying Mr. Starr's questioning of the White House lawyers for weeks or longer.

The White House and Mr. Starr's office refused to comment Wednesday on the executive privilege assertion, but the renewed battle was not universally sup-Mr. Clinton has moved to block White ported among the president's allies.

# **IRAQ:** Firm Response From UN

Continued from Page 1 ligations."
Mr. Crowley called Iraq's

company a team of UN decision "counterproduct-weapons experts, forcing ive," warning, "There is no company a team of UN planned searches, an Iraqi government official said. The weapons teams cannot work without escorts under the not provide its normal escorts agreement between the for an inspection team car-United Nations and Iraq.

sions with Iraqi authorities on arms or visits to sites or UN vehicles carrying some searches for past weapons," monitoring officials left the the official said. A White House spokes-

man, P.J. Crowley, said Iraqi

to restart their weapons of mass destruction program,"

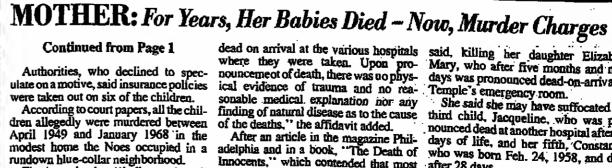
them to abandon their prospect that Iraq will obtain a lifting of sanctions until it fully cooperates." He confirmed that Iraq did

rying out an unscheduled check, but said routine mon-Team members were not allowed to conduct "discus- itoring otherwise continued. On Thursday, convoys of UN headquarters near Baghdad, followed by cars with Iraqi officials. No one in-

> In London, Foreign Secretary Rohin Conk said Iraq must fulfill its obligations to the United Nations. "This nent Security Council mem-

staunch opponent of relaxing sanctions on Irag. France — another perma-

"France asks Iraq not to implement its decision," the French Foreign Ministry said. (AP, AFP, Reuters)



The investigation "indicates that all of the babies were normal at hirth and all of them were healthy and developing normally," an affidavit for probable cause for an arrest warrant stated. "All of the eight infants were in the exclusive custody of the mother, Marie Noe, at the time of their deaths. All eight

rity Council can consider the dam's declaration of nonco-removal of sanctions," be operation was "unacceptneighbors or rescue personnel who were called by her and who discovered her to be alone with the bahies," the affidavit continued.

'All eight infants were pronounced

dead on arrival at the various hospitals said, killing her daughter Elizabeth where they were taken. Upon pronouncement of death, there was no physical evidence of trauma and no reasonable medical explanation nor any finding of natural disease as to the cause of the deaths," the affidavit added.

After an article in the magazine Phil-adelphia and in a book, "The Death of Innocents," which contended that most multiple crib deaths in the same family should be considered as possible homicides, police reopened the investigation. According to court papers, death cer-

tificates and autopsy reports were reviewed by Dr. Haresh Mirchandani Philadelphia's medical examiner, and his deputy, Dr. Ian Hood. Both concluded all eight infants were suffocated.

The affidavit supporting the arrest in good health from Temple University
Hospital. After 31 days, he was dead.
She also admitted, the court papers

Court papers said. "She's not going to live — make it," Mrs. Noe responded, according to the court papers. "Just like the others."

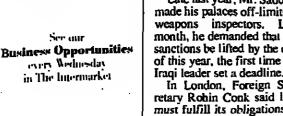
days was pronounced dead-on-arrival in Temple's emergency room. She said she may have suffocated her

third child, Jacqueline, who was pronounced dead at another hospital after 21 days of life, and her fifth, Constance, who was born Feh. 24, 1958, and died after 28 days.

At one point during an earlier investigation, detectives interviewed Dr. Abraham Periman, who was working in the pediatrics department of St. Luke's Hospital and remembered treating a newborn named Constance.

warrant said Mrs. Noe admitted suffo-cating her first child, Richard Alan, who "Upon discharge from the hospital, was born March 7, 1949, and taken home court papers said. "She's not going to

Because of the previous deaths, the physician ordered extensive tests for the ant. All the tests were normal.





# Fears Grow Of Beijing Devaluation

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Yuan Falls to 5-Year Low In Black-Market Trading

SHANGHAI — The Chinese yuan fell to a five-year low on Shanghai's

black market Thursday as talk spread that Beijing will devalue the currency to spur the nation's slowing economy.

Word of a possible devaluation drove.

Hong Kong's Hang Seng Index to a three-and-a-half-year low and upset fi-

nancial markets as far away as Seoul. By letting its currency weaken, China might touch off another round of currency devaluations in Asia and sever the

rency devaluations in Asia and sever the Hong Kong dollar's 15-year-old peg to its U.S. counterpart, traders said.

"The pressure to devalue the yuan is still tremendous," said Xu Ling, a trader at Shenyin & Wanguo Securities Co.

On Shanghai's black market, the dollar rese to Suran well above the official

lar rose to 9 yuan, well above the official rate of 8.28 yuan. That is the highest black-market dollar rate since China last devalued its currency in 1993, according to black market traders.

A lack of confidence in the yuan sent foreign investors fleeing from China's stock markets. B shares, which are reserved for foreigners, fell 5.24 percent in Shanghai and 4.07 percent in Shenzen.

The Chinese and Hong Kong currencies are among the last in Asia still linked to the dollar, and both have held fast as the Indonesia rupiah. Thai baht and others lost more than half their

value in the past year.

Now, a softening yen is putting even more pressure on China to let the year weaken to ensure that its exports can compete on world markets,

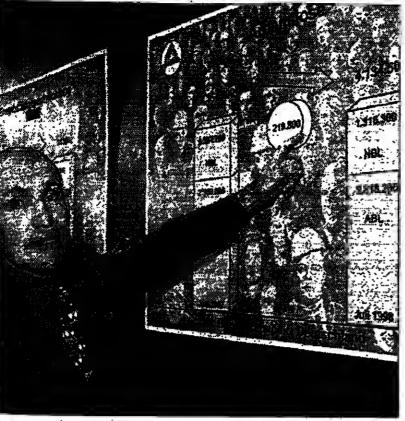
Hong Kong's benchmark Hang Seng index closed down 2.84 percent, at its lowest level since January. The U.S. dollar rose to 7.7490 Hong Kong dollars from 7.7485 dollars Wednesday.

Currencies and stock markets around the region also took a beating, with stocks in Malaysia falling 1.45 percent and the Philippines key index dropping nearly 2.9 percent. Jakarta's benchmark com-

posite index finished 1.8 percent lower.

"This is a Greater China issue more." than a yen issue," said Callum Hen-derson, Citibank analyst. "It's more focused on will Hong Kong go, will China go, and what that means for Korea and Taiwan."

(Bloombers, Reviers)



Klaus Leven presenting the adjusted German jobless figures 'fhursday.

# German Unemployment Drops

But Adjusted Figures Are Not Expected to Help Kohl Campaign Much

By John Schmid International Herald Tribune

FRANKFURT - German unemployment, the highest-profile issue in national elections next month, dropped to a 20-month low in July, the govemment said Thursday.

But the figure, based on seasonally adjusted statistics, probably will provide little political support to Chancellor Helmut Kohl and his struggling re-election campaign, polisters and economists said.

Germans seldom bother with statistical distinctions and tend to focus on the raw, unadjusted figures, which in July showed the first increase in the jobless rate since January, according to Dieter Walz, director of poliocal and election research at the Emnid polling institute.

"Most Germans perceive only that unemployment has risen," said Mr. Walz, adding that German television newscasts also prefer to broadcast the

gloomier unadjusted figures.

"The job situation is just as rotten as

before," charged Ottmar Schreiner, securive decline in adjusted terms for deputy parliamentary chairman of the left-leaning opposition Social Demo-

According to the Federal Labor Office in Nuremberg, the unadjusted unemployment rolls rose by 59,410 people in July to 4.13 million, bringing the jobless rate to 10.7 percent from 10.5 percent in Juoe.

Not surprisingly, Mr. Kohl's spokes-man drew attention to the brighter figures, which strip out such seasonal finetuations as weather and school holidays.

"The upward trend in the joh market has gathered strength," said the govspokesman, Herbert Schmuelling.

The seasonally adjusted figures, which are regarded by economists as a better economic indicator, declined by 37,000 to 4.22 million in July, the labor agency said, thus reducing the jobless rate to 10.9 percent from 11 percent in

The July data mark the seventh con-

unemploymeot.

Separate data published Thursday rerealed that the German recovery - the economy grew a robust 3.8 percent in

the first quarter — wobbled in June.
The Economics Ministry startled economists when it reported that indistrial production fell 1.9 percent in June from May.

That follows a 1.1 percent slump in manufacturing orders for June, reported

Wednesday

Although both figures were unexpec-tedly weak, the ministry said that the June output figures were preliminary and probably would be revised upward The Ifo economic research institute in

Munich raised questions this week about the pace of growth in Europe's biggest economy after it downgraded its 1999 growth forecast to 2.5 percent from 2.9 percent.

Still, Alison Cottrell, chief international economist in London at Paine-

See GERMANY, Page 17

# Market Reads Signs of an Easing, Not Collapse, of Economy

By John M. Berry ashington Post Service

WASHINGTON - The stock market retreat of the past two weeks isn't a signal that the U.S. economy is in trouble, but rather a somewhat belated recognition on the part of investors that, as one analyst put it, "trees don't grow to

"The economy fundamentally is in very good shape," said Chris Varvares, an economist at Macroeconomic Associates, a St. Louis forecasting firm that months ago had built a 10 percent drop in stock prices into its forecast for slower economic growth in the second

To Mr. Varvares and many other analysts, the deteriorating market - punctuated by the 299-point drop in the Dow Jones industrial average on Tuesday was an overdue recognition that economic growth and corporate profits, both of which were exceptionally strong over the past two years, are not continuing to rise at such a fast clip.

In fact, Commerce Department fig-

corporations, not just the large ones included in major stock price measures such as the Dow Jones industrial average, began declining late last year. What most likely lies ahead is a peri-

od of much slower economic growth. with flat or modesily falling profits, stretching into or through 1999, according to Macroeconomic Associates, many other forecasting firms, major brokerage houses and Clinton administration and Federal Reserve officials. A few contrarian economists are predicting a recession.

The impact of the turmoil in Asia, the strength of the dollar, a hig reduction in business inventory building and the now-settled General Motors Corp. strike combined to limit growth in the April-June period to just a 1.4 percent annual rate, down sharply from a 5.5 percent rate in the first three months of the year. But housing construction, consumer spending and business investment in new equipment all remained

That strength was reflected in the results of the Fed's latest nationwide (Bloomberg, Reuters) uses show that after-tax profits for all survey of economic conditions, released

'Reports from Federal Reserve districts generally indicated a high level of economic activity and further expansion recently, though with moderation in growth for some regions and sectors," a summary of the results said.

Economic growth and corporate profits, both of which were exceptionally strong over the past two years, probably cannot continue to rise at such a fast clip.

Retail sales were in line with retailers' expectations and both residential and commercial real estate markets were "strong to booming" in many parts of the country. "Manufacturing activity remained at a high level, although the GM strike, weakening demand for exports and general slowing in the high-

tech sector damped expansion," the Fed

The survey also found "broadbased" labor shortages that were ham-pering growth. Nevertheless, general wage increases remained limited and most retail prices remained in check, according to the summary, the results of which will be used by central bank officials at their next meeting on mon-

etary policy, on Aug. 18. None of the survey's results suggest that the bottom is about to fall out of the

economy.

Growth in the second half of this year should average about 2 percent to 2.5 percent, with some increase in the super-low inflation rate and perhaps a very slow rise in the jobless rate, now 4.5 percent, according to many of the private forecasts. Some estimates project growth as low as 1 to 2 percent.

■ U.S. Factory Orders Rise

Orders to U.S. factories edged up 0.1 percent in June, the Commerce Department reported Thursday, according to a dispatch from The Associated Press.

Orders totaled a seasonally adjusted 330.5 hillion. In May, they had fallen 2.2 percent — the biggest drop in three years — to a seasonally adjusted \$330.2

Slumping demand for aircraft and automobiles held back orders, the data

Outside of transportation, the manufacturing picture was less gloomy. With transportation orders, which have wide swings from month to month, eliminated, orders increased 1.1 percent in June after a 1.8 percent decrease the

Orders for computer and office equipment jumped 7 percent. They in-creased 1.6 percent for industrial machinery, 3.5 percent for stone, clay and

glass products and 6.5 percent for navigation, medical and other instruments.
But orders plummeted 21.6 percent
for aircraft on top of a 16.1 percent drop
the month before, and 6.9 percent for
automotive equipment.

The decline in aircraft orders has en attributed in part to the Asian financial crisis, which has reduced orders from carriers in the region.

### JAMES K. GLASSMAN ON INVESTING

# What to Do: Sit Tight or Buy More

ASHINGTON - So. is this it? Is the long-awaited Bear Market - or should I call it the Monica Mar-

ket - finally here? After a 299-point decline Tuesday and a mild recovery Wednesday and Thursday, the Dow Jones industrial average is still down more than 8 percent since July 17. After Wednesday, Microsoft Corp. had dropped \$12 in seven days, and J.P. Morgan & Co. had skidded \$15 in three weeks. The smallcompany stocks of the Russell 2000 index had fallen for 13 of the previous 14 days. Salomon Smith Barney Inc. reported that the average stock on the New York Stock Exchange was down

28 percent from its 52-week high. What's next? I haven't the slightest idea. In fact, while that's the most popular question of the week, it's not the right one. When stocks fall sharply. yon should ask only two things: Has something changed with the companies I own? (Usually the answer is no.) Are there any screaming bargains I should huy? (Often there are.)

There is, however, a third question of great intellectual interest: What the heck is going on here?
One popular explanation for the mar-

ket's decline is the revival of the scandal involving President Bill Clinton and a former White House intern. "Lewinsky Situacion Stirs Political Fears, Unset-

in The Wall Street Journal last week. Certainly there is a correlation between recent events in the scandal and the sharp drop in stock prices. The Dow eaked, for example, on the day that

Correlation is not causation. Remember that during this Year of Lewinsky, the Dow has returned more than 8 percent.

Chief Justice William Rehnquist reused to block Secret Service agents from testifying before a grand jury investigating the president's ries to Monica Lewinsky.

The decline gained momentum over the following few weeks as Ms. Lewthe following few weeks as Ms. Lewinsky reached an immunity agreement with prosecutors and the president, after a subpoena was issued, agreed to when the Dow fell 26 percent in the 19

chief investment officer at Chicago revival. "If there's one thing the market hates, it's uncertainty.

Yes, but uncertainty is always with

tling Investors," said a typical headline us. Besides, correlation is not causation. The market's decline also tracks the heat wave in Texas and the losing streak of the Philadelphia Phillies, but those events - as far as I can tell - did

not produce lower stock prices.

Also, you could conclude from recent history that the Lewinsky affair is a boon to the market. Before the scandal became public Jan. 21, the Dow had fallen

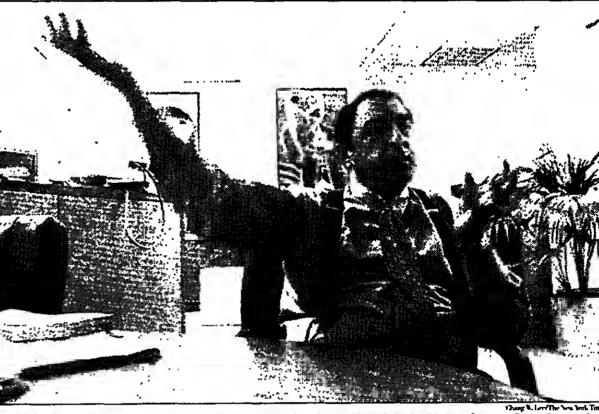
386 points from its August 1997 high. New embarrassments poured out until April Fools' Day, when a federal judge in Arkansas dismissed the Paula Jones sexual barassment suit and Mr. Clinton seemed to be out of the woods. But during that difficult 10-week period for the president, the Dow rose

1,047 points. Also, remember that during this Year of Lewinsky, the Dow has returned more than 8 percent, which is better than average at this stage for the

last 72 years. In fact, I am skeptical that the untestify on Ang. 17.

"I think it's definitely what cracked the market," said Charles Henderson, was the economy, stopid, that rolled the Trust Co., referring to the scandal's markets. There was a severe recession in 1974, and, at the same time, inflation

See MARKET, Page 17



Ralph Acampora, a managing director of Prudential Securities, discussing his change of heart about the market.

# **Bull Turns Bear and Wall Street Shivers**

Widely Followed Analyst's Reversal Contributed to Stock Market Sell-Off

By Sharon R. King

New York Times Service NEW YORK - Shy and retiring.

Ralph Acampora is not. A managing director and head of technical research at Prudential Securities, Mr. Acampora is a regular guest on financial news television programs and a frequent bearer of soaring market

But even Mr. Acampora, who is known for his rapid-fire faxes to journalists whenever the markets twitch, seemed surprised by the market's plunge on Tuesday after he made a sudden bearish turn.

He had been branded a raging bull by forecasting in 1995 that the Dow Jones industrial average would rise above 7,000 points in 1998. At the time, the blue-chip index was at 4,500, causing many to dismiss his projection as outlandish. But the Dow surpassed 7,000 in April 1997, a year ahead of his schedule.

Last year, he upped the ante, calling for the Dow to close at 10,000 in mid-1998 or early 1999. So wheo one of Wall Street's leading

hulls morphed into a bear, people no-On Tuesday, Mr. Acampora helped unleash a stock market plunge, a 299point decline in the Dow, by forecasting

fall 15 percent 10 20 percent from its recent high. Such a drop would push the "The market didn Dow down to about 7,470, representing a 1.868-point nosedive from its peak.

On Wednesday, the slightly balding, Bronx-born Mr. Acampora was even busier than usual, explaining what had caused his about-face. Not surprisingly, he pointed to Asia as the calprit, adding that President Bill Clinton's political problems just added to the mix.

"You are looking at a bear," Mr. Acampora said Wednesday, "I've got to tell you, too many people listened. On Wednesday, some other Wall Street strategists moved quickly to counter the damage Mr. Acampora had done and to reiterate their bullish sen-

In a note to clients Wednesday morning, Abby Joseph Cohen, co-chairwoman of the investment policy committee at Goldman, Sachs & Co., said the recent declines were an overreaction and that stock prices were undervalued.

Tom Galvin, chief investment officer at Donaldson, Lufkin & Jenrette, even suggested that investors increase their stock holdings to 75 percent of portfolios from 65 percent. Mr. Galvin also forecast that the Dow could top 10,000 within six months, while Ms. Cohen predicted 9,300 at the end of 1998.

While the Dow closed up 59.47 on CNBC that the blue-chip index could points Wednesday, it was a less-than- to be ton happy with me."

"The market didn't respond to Abby like it's done in the past," a Wall Street investment strategist said on the con-

dition of anonymity.

Mr. Acampora was also unimpressed with the modest gains. "I think we might have a couple of months of this" before stock prices begin rising again, he said.
As a technical analyst, Mr. Acampora relies primarily on stock charts, studying price levels, trading volume and price movements, to forecast the market's direction. Recently, he said, deteriorations in some Dow industrial stocks as well as the stocks in the Dow transportation and utilities indexes had caused him to ex-

pect steeper declines for the market. Although Mr. Acampora's bullish ontlook back in 1995 proved to be justified, he has had a few misses. Last summer, he called for the Dow to reach 8,750 by the end of the year. The Dow closed at 7,908.

And while in the past he has usually been bullish, he has wavered from time to time. In an interview last August, Mr. Acampora warned that he might turn bearish sometime in 1998.

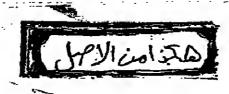
Mr. Acampora, 56, knows that his bearish turn will be watched closely. To make this statement, I really had to believe it. This is a career call. If it goes straight to 10,000, people are not going

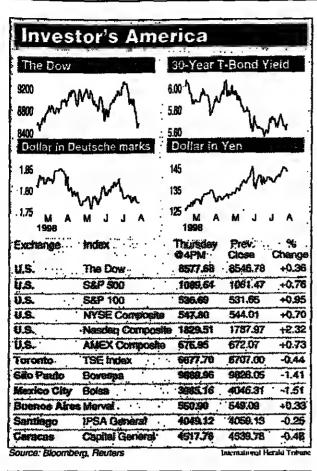
# **CURRENCY & INTEREST RATES**

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**Key Money Rates United States** 143.19 1,4798

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### Very briefly:

• International Business Machines Corp. is buying the 46 percent of IBM South Africa Group Ltd. that it does not already own. It will cost IBM \$142,4 million.

 Ocean Spray Cranberries Inc. said it was concerned about PepsiCo Inc.'s pending purchase of Seagram Co.'s Tropicana juice unit. Pepsi and its bottlers distribute Ocean Spray juice drinks, which compete with Tropicana's products.

 Lucent Technologies Inc., the top seller of phone equipment in North America, said it was looking for further acquisitions to enable it to deliver faster data networking. . Brandywine Realty Trust agreed to buy closely held Com-

monwealth Atlantic Properties, controlled by Lazard Freres & Co., for \$612 millioo in cash, securities and assumed debt. • The Chicago Board of Trade, the world's largest futures exchange, and the Chicago Mercantile Exchange are discussing a merger to defend their trading floors against competition from low-cost computer networks.

· Sara Lee Corp.'s fourth-quarter net profit rose 8.6 percent, to \$303 million, from a year earlier oo the strength of its cost-

The Trib In	H-X	Prices i	23 of 4-00 P.M.	Mew.York Inne
Jan. I, 1992 a 100	Lavel	Change	%change	year to date
World Index	189.81	<b>— 1.50</b>	<b>— 0.78</b>	+ 10.28
Regional Indexes				
Asia/Pacific	77.51	1.75	- 2.21	<b>— 19.3</b> 2
Europe	229.01	- 4.29	<b>— 1.84</b>	+ 18.63
N. America	249.13	+ 2.61	+ 1.06	+ 15.34
S. America	123,14	-212	<b>— 1.69</b>	<b>— 19.34</b>
Industrial Indexes				
Capital goods	255.25	+ 3.39	+ 1.35	+ 23.57
Consumer goods	225.09	<del></del> 1.24	<b>— 0.55</b>	+ 7.32
Energy	183.23	6.63	<b>— 3.49</b>	6.02
Finance	140.07	<b>— 2</b> .14	1.50	+ 13.92
Miscallaneous	148.68	<b>— 5.34</b>	<b>—</b> 3.47	- 0.80
Raw Materials	182.07	2.42	<b>— 1.31</b>	+ 0.87
Service	201.71	-0.32	<b>— 0.16</b>	+ 15.72
Uttibes	166.50	- 2.55	1.51	0.22



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# Microsoft Gets Ready for Court

Firm Says Its Internet Plans Existed Before Netscape

By Steve Lohr

NEW YORK - On April 6, 1994, Bill Gates summoned 20 employees of Microsoft Corp. to a daylong retreat. The gathering included senior executives and a small group of younger workers who had become coovinced that the Internet would revolutionize the computer software business.

Mr. Gates left no doubt that he agreed with the young evangelists, even though the Internet was not vet a bousehold term or an industry. One persoo who attended the meeting recalled the Microsoft chairman saying, "We're going to make a big bet on the Internet." In its sweeping antitrust suit

against Microsoft, the Justice Department contends that the company's aggressive tactics in opening its deep pockets and wielding its market muscle in the Internet software business were intended to protect and expand its mooopoly by crushing a new challenger,
Netscape Communications Corp.
But in a detailed reply to the

vernment's suit, which must be filed in federal court no later than Department says that Microsoft road map is distorted.

were under way before Netscape retreat occurred just two days after the founding of Netscape.

Microsoft allows that its tactics did eventually burt Netscape, but its products and benefit consumers. Few concrete plans were set that day in April 1994. But several participants say there was agreement defense, be says, is a "gran on one strategy: that the Windows ercise in revisionist history." operating system, Microsoft's mainstay product, should have built-in access to the Internet.

'People walked away from that April 6 meeting knowing in broad terms what they had to do," recalled J. Allard, who is now general manager of Microsoft's Internet and data-access unit but then was the program manager for Internet activities.

The government's case does not rest solely on Microsoft's inten-

Mooday, Microsoft will argue that engaged in a series of illegal practices, including contracts with per-Microsoft discussions and docu- sonal-computer makers and others ments dating to late 1993, show that were meant to thwart comthat the company's Internet plans petition, and it accuses the company of eventually trying to perrose to challenge Microsoft. The suade Netscape to divide up the market for Internet browsers --- all of which Microsoft denies.

A senior Justice Department official said this week that evidence says that was a byproduct of its in the government's case showed a main intent, which was to improve pattern of anticompetitive behavior by a company that was "simply bell-bent on driving a competitor out of the market." Microsoft's defense, be says, is a "grand ex-

The government's accusation that Microsoft's Internet software plans were designed not to improve its products or to benefit consumers but to destroy Netscape provides the context for the case, a context that seeks to explain Microsoft's actions.

Intent is relevant because it provides a road map for the court to follow," said Stephen Axinn, a leading antitrust lingator in New York. In court, Microsoft will artions toward Netscape. The Justice gue that the Justice Department's

# Yen Slips on Doubts About Tax Cuts

NEW YORK — The dollar rose against the yeo on Thursday as doubts grew that tax cuts proposed by Prime Minister Keizo Obuchi

FOREIGN EXCHANGE

would do much to stimulate the Jap-The dollar was also supported

against the yen by speculation that China might devalue its currency,

Mr. Obuchi said on Friday that be would propose cutting income and corporate taxes by more than 6 trillion yen (\$41.72 billion).

'All the oews is out oo Obuchi's speech, and we're oot at all impressed." said Jeremy Fand, a currency strategist at BankBostoo in

The dollar was quoted at 4 P.M. at 144,275 yen, up from 143,950 yen Wednesday.

### Sunbeam to Restate Financial Results

DELRAY BEACH, Florida ---Sunbeam Corp., whose finances are the target of a probe by federal regulators, said Thursday it would restate its results for the 1998 first quarter, the full year 1997 and possibly 1996.

The struggling household an-

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**AMEX** 

**Dividends** 

INCREASED

U. S. STOCK MARKET DIARY

aged in recent months, said it expected the restatement to cause "material adjustments."

Last month Sunbeam confirmed published reports that the U.S. Securities and Exchange Commission was investigating its accounting methods. Sunbeam shares were down \$1

pliance maker, whose formerly to \$7 in late trading Thursday on high-flying stock has been sav-

It was quoted at 1.7720 Deutsche marks, up from 1.7695 DM; at 5.9420 French francs, up from 5.9335, and at 1.4934 Swiss francs, up from 1.4885.

The pound fell to \$1.6348 from \$1.6365

Foreign exchange traders were keeping a wary eye on the U.S. stock market. The dollar fell Tuesday, when the Dow Jones industrial average fell nearly 300 points.

Falling stocks burt the dollar because when international investors sell stocks they generally sell their dollar proceeds to obtain their home **currencies** 

The dollar was held back agaiost the mark after Germany said its unemployment rate fell to a 20-month

The dollar rose to a record high of 1.5217 Canadian dollars, up from 1.5178 dollars on Wednesday. The Bank of Canada sold be-

tween \$40 million and \$50 million of its U.S. dollar reserves to stem the traders in Toronto and New York.

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# Buyers Seek Bargains As Stocks Edge Up Complete to Our Suff From Dispersion NEW YORK — Stock Rutions Form

cautious trading Thursday as investors shopped for issues likely to weather an ecocomic slowdown with reasonable profit growth.

The Dow Jones industrial average closed 30.90 points higher at 8,577.68, and the Standard & Poor's 500 index finished 8.21 points higher at 1,089.64. Advancing issues oumumbered declining ones by a 4-10-3 ratio on the New York Stock Exchange.

Trading was quiet compared with previous sessions this week. On Tuesday, the Dow dropped nearly 300 points for its third-biggest point loss ever. Investors have been left wondering wbether the decline from records has run its course.

There are excesses in the market that bave to be worked out," said Peter Coolidge, managing director of equity trading at Brean Murray & Co. 'Is this the end of the bull

market? That's up for debate."

Investors bought technology stocks Thursday on confidence that prices are oow in line with the ontlook for profits. The Nasdaq composite index closed up 41.31 points, at 1,829.51.

They got pounded so hard prior to this correction that there's a sense that maybe they've come over the hump and the worst is behind them," said Guy Truicko, a money manager at Unity Management. Intel rose 2% to 87, Compaq Computer added 1 15/16 to 33% and

Microsoft rose 2 9/16 to 1061/2 Bot American Express, United Healthcare and other companies reporting weak profits or profit fore-

American Express fell 71/4 to 101

half revenue growth would not match that of the first haif because of slowing Asian economies.
United Healthcare fell 151/8 to

37% after the health-maintenance organization posted a second-quarter loss of \$565 million, reflecting \$900 million in costs related

to a realignment of its businesses. Humana, another HMO that has agreed to be acquired by United for \$5.5 billion, said it would speak with United about the impact of the charge on the deal. Humana fell 61/4 to 19.

Medtronic fell 51/8 to 531/2 after the medical device maker warned it would post disappointing results for

### U.S. STOCKS

its first quarter ended July 31. Medironic blamed a sharp decline in sales of stents and balloon catheters used in coronary angioplasty. Retailing stocks were strong after several chain stores reported strong sales in July. Consumer spending, which accounts for a third of U.S. economic growth, has remained strong despite a slowing

in other economic indicators. Wal-Mart Stores rose 3 to 64, J.C. Penney rose 2 5/16 to 56 13/16 and Gap rose 21/2 to 61 15/16.

The Treasury bond market also was quiet, with the price of the benchmark 30-year issue slipping 1/32 point to close at 106 13/16. The yield was steady at 5.67 percent.

Investors were awaiting data on U.S. employment for July, which will be released Friday. The report will offer another indication of how the U.S. economy is handling a (Bloomberg, AP) awobwois.

### **WorldCom to Sell \$6 Billion in Bonds**

NEW YORK -- WorldCom bond sales over the past two weeks. Inc. said Thursday it would sell a . WorldCom's track record of strong record \$6.1 billion of bonds to help pay for its acquisition of MCI Communications Corp.

Investor demand for the securiries, expected to yield between 6.06 percent for bonds due in three years and 7 percent for 30year bonds, prompted the longdistance phone company to increase the sale from \$5 billion.

WorldCom's bonds are expected to be well received, even

eral firms to postpone or reduce growth is expected to continue after its purchase of MCI.

\*Because of the quality of this particular company, they should have no problem selling that deal," said John Bianchi, a bond manager at Smith Barney Asset

WorldCom is in a fast-growing industry and is relatively insulated from any slowdown in the U.S. economy or turnoil in Asia.

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### INTERNATIONAL FUTURES



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The Same

# Russia Oil Companies Warned to Pay Taxes In Fiscal Pinch, Moscow Tries to Get Tow By Michael Wines Investigators from the Rus Control Tow Service moved of

In Fiscal Pinch, Moscow Tries to Get Tough

New York Times Service

tax collectors swooped down on three of Russia's biggest oil compacars, apartments and other assets to hammer home a demand for more changes in tax policies. than \$150 million in back taxes.

The seizures copied a highly successful raid six weeks ago on the ration and at the time its single biggest tax deadbear.

The seizures came atop new indications that President Boris Yeltsin's economic advisers, unlike his previous ones, are serious about carrying ont Moscow's latest last-ditch program to stave off fiscal collapse.

### Shell's Earnings Slump by 17%

AMSTERDAM - Royal Dutch/Sheli Group on Thursday reported earnings of \$1.54 billion for the second quarter, a fall of 17 percent from a year

The company blamed low oil prices and the Asian crisis. The earnings for the quarter, which ended June 30, were at the low end of analysts' ex-

pectations. Sales fell by 17 percent, to \$34.7 billion.

Globally, the outlook for the second half of the year is for further deterioration," the company warned

Royal Dutch shares closed dówn 7.80 guilders, at 92.10 guilders. In London, Shell closed off 26.5 pence, at 356

The quality of these figures is poor, and the company has a great deal of work to do to get these numbers up," said Jurjen Lunshof, an analyst with Credit

Lyonnais Securities. (AP, Bloomberg)

Investigators from the Russian State Tax Service moved on the offices of Eastern Oil, Onako and MOSCOW — The government's Sidanko, the three petroleum companies, less than a day after nies Thursday, seizing executives' met oil executives privately to de-Prime Minister Sergei Kiriyenko

The Tax Service's chief of corporate collections, Vladimir Popov, said that the raids ought not to be offices of the natural-gas monopoly
Gazprom, Russia's largest corpoagainst businesses, but as 'the begram of working with major taxpayers like oil companies.'

investment analysts agreed that the actions were well thought out

"It's an inexorable process," said Tom Adshead, the co-director of research at United Financial Group in Moscow. "They're going down the list of big tax debtors, one by one. There are a lot of people out

there who owe them money.

Mr. Yeltsin said only last week
that he expected this autumn to be politically difficult, and the gov-ernment's newfound toughness reflects preparations for that.

The government is in a political and fiscal bind. International lenders have made it clear that they will pull their money out and refuse to make new loans — bankrupting the gov-ernment — unless Russia reforms its

tax system and improves collections. But those very changes seem destined to enrage citizens who have already lost wages or pensions to corruption, inflation or economic

collapse and who find new taxes repugnant. Russia has increased tax collections for three straight months, to about \$1.9 billion in July, and it plans to pass the \$2 billion mark in August. But those amounts are still only about 80 per cent of the goal set by the International Monetary Fund, which controls a \$22.5 billion loan package designed to keep the govemment solvent while it works on the economy and on its fiscal structure.

Like many outside experts, Mr. Adshead of United Financial Group says Moscow has only until autumn to demonstrate that it is on the road to recovery. "It's the October numbers where people are really expecting the government to deliver," he said.

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giming of a well-thought-out pro- Boris Fyodorov, right, the head of Russia's Federal Tax Service.

# Zeneca Reassures Investors After Pound Erodes Profit

LONDON — Zeneca Group PLC reassured investors it was on course to meet earnings growth targets on Thursday, despite an £81 million next year, stressed the underlying (\$132.6 million) profit hit from the performance. effect of the strong pound in the first

half of the year. The corrency impact was the major factor behind a 2 percent fall in pretax profit to £654 million at the pharmaceuticals and chemicals group, just below consensus forecasts of £660 million.

Group sales rose 5 percent to £2.89 billion.

Zeneca's shares touched a low of £21.84 in early trading as the market struggled to digest the results, which were also skewed by £65 million of charges for integration costs, plant closures and the millennium bug.

But a confident performance by management at an analysts' meeting soothed nerves about the group's agrochemicals business and the slower-than-expected acceptance of newer drugs, including the migraine tablet Zomig and the schizophrenia treatment Scroquel.

The stock ended the session up 15

pence at £22.80. This was a sound set of fig-

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ures," said the Salomon Smith Barney analyst Kevin Wilson, who added that the group had given positive indications on its long-term

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Madrid

Zeneca's chief executive, Sir

"Across the board there has been sales up 11 percent, profit before tax up 10 percent and pharmaceutical

David Barnes, who steps up to become chairman of the group in May

strong underlying volume growth in constant exchange-rate terms, with sales up 15 percent, with the all-important U.S market growing by 24 percent," be said.

LONDON — The Anglo-Dutch publisher Reed Elsevier

PLC reported stronger profit than analysts expected on Thursday

and said it was streamlining man-

agement to oversee its transition

to a mixed print and electronic

The company posted an adjusted pretax profit of £413 million

(\$660.8 million) for the first six

months of the year, down from

£419 million a year ago, but that

still topped market expectations.

Sales slipped to £1.59 billion from

publishing business.

£1.68 billion a year ago.

# Central Bank Investor's Europe In Britain **Leaves Rate** Unchanged

Agence France-Presse LONDON - The Bank of England said Thursday it was leaving its benchmark interest rate unchanged at 7.5 percent in August, a decision met with relief by hard-pressed

manufacturers.

With evidence piling up that the British economy is cooling, econ-omists have argued recently that rates should no longer rise, or should

even come back down. The deputy director-general of the British Chambers of Commerce, Ian Peters, said the decision to hold rates steady "reflects the oow abundant real world evidence that the economy is slowing sufficiently."

The central bank was made independent by the government in May 1997 and given the target of holding inflation at 2.5 percent a year.

Since then, the bank has increased the base rate six times, angering business and pushing the value of the pound higher, hurting the profits

of exporters. The Bank of England has had to weigh conflicting evidence in its fight against inflation. Although manufacturing has slumped, the service sector has remained relatively strong and

wages have continued to rise. The government argues that low productivity is the chief problem.

The publisher said profit was

Reed Elsevier is the operating

dented by the strong pound and

investments in new product de-

company of Britain's Reed In-

ternational and the Netherlands'

Elsevier NV, which each own 50

percent of the company. Elsevi-

er's Herman Bruggink and Reed's

Nigel Stapleton currently serve as

Under the new structure, the

publisher would merge its two

management boards and hire a

new chief operating executive

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from outside the company.

Reed Elsevier Recasts Management

velopment.

co-chairmen.

### Very briefly:

Brussels BEL-20

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• Barclays PLC's first-half pretax profit rose to £1.29 billion (\$2.11 billion) from £1.27 billion. The British bank said provisions for bad loans rose to £129 million from £90 million and that underlying costs rose 4 percent while income rose 7

• LVMH Moet Hennessy Louis Vuitton SA has sold the Pere Magloire brand of Calvados to private investors to allow its Veuve Clicquot unit, which controlled the brand, to expand in champagne. LVMH did not disclose the price. Finance du. Pays d'Ange, which bought the brand, now controls 30 percent of the production of Calvados, a strong liqueur made from apples, according to the French newspaper Le Figaro.

 VIAG AG's first-half pretax profit rose 28 percent, to 1.92 billion Deutsche marks (\$1.08 billion), as the conglomerate improved performance at its Bayernwerk, SKW and VAW units. Sales rose 13 percent, to 26.77 billion DM.

· Aeroflot-Russian International Airlines will receive a \$350 million syndicated loan from a group of foreign banks to lease 10 new Boeing 737-400 airplanes. The 12-year loan is guaranteed by the U.S. Export-Import Bank and was arranged by Chase Manhattan Bank.

• The Bank of Israel cut its benchmark lending rate to 9.5 percent from 11 percent, the eighth rate cut this year.

 Teva Pharmaceutical Industries Ltd., Israel's largest drugmaker, said second-quarter profit fell 50 percent, to \$17.1 million as the company failed to get new drugs approved for U.S. use and sales in Israel fell.

• Renault SA's first-half revenue rose 22 percent, to 121.69 billion francs (\$20,51 billion), driven by the success of its Megane models, the Clio II and the Kangoo series.

• Bayerische Motoren Werke AG said Asian sales fell 31 percent in the first half, to 33,700 units. Bloomberg, Renters, AFP

### WORLD STOCK MARKETS

Thursday, Aug. 6 Daily prices in local currencies.

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STUMBLING IN HER

**DELICATE SATIN SLIPPERS** 

AND ALMOST TRIPPING ON THE hem of her diaphaoous gown, the young bride fought back tears of

oo only their second day of wedded bliss, she could not imagine why he was insisting she made her way to the monolit Raffles' poolside in full evening regalia. 'Are you sure the restaurant's this way, darling?' she

poor sense of direction. Only I'm not really dressed for one of your short cuts. It was then that the tears began to flow in earnest. For there at the poolside, bathed in a soft candleln glow, was no exquisite table a deux

and Beverage Manager, whose collaboration in this surprise had been essential, was personally on haod with a freshly laundered haodkerchief.

perfectly framed by its leafy gleamed in the starlight, a

in its frosty bucket and a

DIV Ykt PE 1005 High LowLateral City

romaotic setting. Silverware

bottle of champagne chilled

single red rose took centre

12 Month High Lou

Continued on Page 19

# Thailand Hedges on Offer Of Guarantee to Foreigners

backed away from the money-back guarantee it announced Wednesday for foreigners who buy majority control of ailing Thai

Finance Minister Tarrin Nimmanahae- lenders, he said. minda said there was a "misunderstanding" at the central bank about plans for a buy-back program. He said the idea was proposed by a foreign bank that is considering buying control of a Thai bank

Mr. Tarrin did not name the foreign bank. though local media reported last week that
Standard Chartered asked the central bank
About a third of total Thai bank loans are

Bank of Thailand's deputy governor, Kitti
Patpongpibul, said the offer to reimburse to Mr. Kitti's comments, with Thai bank

week, said Wednesday that foreigners who

BANGKOK — Thailand on Thursday banks and finance companies could claim a full reimbursement after five years. The buy-back would be done through the Financial Institutions Development Fund, a central bank unit set up to rescue troubled

"It is one of the measures being stud-

funds and are plagued with bad loans since the plunge of the Thai baht on world cur-

to limit its potential loss if it were to buy classified as nonperforming, and analysts Nakornthon Bank PCL. cxpect the figure to peak at 45 to 50 percent Shortly after the minister's comments, the during the first half of next year.

foreigners who might he unhappy with their investments "was being considered."

Mr. Kitti, hired by the central bank last

Mr. Kitti, hired by the central bank last

(Bloomberg, Reuters)

# **Airlines Cut Back on Fleets**

Sell-Off and Deferral of Orders Affect 170 Planes

airlines struggling against de-clining traffie and ballooning costs have unloaded more than 170 ordered or existing aircraft since the regional economic crisis began last statements and industry me-

returning to lessors planes already in their fleets, airlines have shed craft capable of carrying more than 40,000 passengers, the equivalent of 100 Boeing 747-400s.

Boeing appears to have ing them to the companies model 747-400s from strug-suffered more cancellations they leased them from. gling Asian carriers. and deferrals than Airbus Industrie, but both manufacturers face competition from more than 100 secondhand aircraft that the airlines or lessors have sought to place have any plans to do anything craft.

with new operators. The three else to our fleet except add the SINGAPORE — Asian big makers of engines — Prant onew ones we have got coming irlines struggling against de- & Whitney, Rolls-Royce in," said a representative of lining traffic and ballooning PLC and General Electric Co. - are similarly affected. Few aircraft orders have

been canceled, presumably ing two to the British airline because sales contracts Virgin Atlantic Airways Ltd. year, according to airline routinely include suff penal- and parking the other three ties for cancellation. Many while it looks for takers. more have been deferred. Either by canceling or de-ferring orders or by selling or stricted, especially when deeven though deferrals are re- ufacturers of sales just as easlivery is imminent.

But the airlines have exmethod of trimming capacity - putting their existing air-

and planned to accept them. 300 series, which do not com-"At the moment we don't pete strongly with new air-

Cathay has pulled five old 747-200s out of service, leas-

This process can rob manily as cancellation. For example, Qantas Airways Ltd. had considered the purchase ploited their most flexible of new 300-seat jets from Airbus or Boeing but apparently dropped the idea when it realcraft oo the market or return- ized it could pick up currentgling Asian carriers.

Cathay Pacific Airways

At least 14 747s have beLtd., for example, said it had
eight wide-body jets on order are older jets from the 200 and



# Obuchi Says He'll Propose \$41 Billion Tax Cut

HIROSHIMA, Japan — Prime Minister Keizo Obuchi said Thursday that his government would propose tax cuts worth more than 6 trillion yen (\$41.68 billion) as part of its efforts to pull the economy out of recessioo.

That total would be in line with initial expectations, not the 7 trillion yen suggested in some recent reports. Mr. Obuchi said income-tax cuts would vary according to people's tax brackets.

"I think an across-the-board cut is the principle of it," he said, but added that the government must "give consideration to people in tax brackets suffering the most

difficulties." Mr. Obnehi did not specify which brackets he would favor. Mr. Obuchi has previously said that

tax cuts should seek to help middleincome people. Mr. Obuchi offered no other revel-

ations on the promised tax cuts, a key demand from Japan's trading partners and financial markets, which see a recovery of the Japanese economy as critical to beloing the rest of Asia climb ont of its economic slump.

Mr. Obuchi is scheduled to deliver his prescription for the economy in a policy speech to the Diet on Friday. The prime minister is also expected to

outline the government's plan to weed out weak banks and help the survivors rid themselves of bad and risky debt.

The cabinet submitted legislation to Parliament on Wednesday that would allow the government to take over management of insolvent banks and create "bridge banks" to provide continued funding to sound borrowers.

All of the tax cuts will be financed by sales of government bonds, Finance Minister Kiichi Miyazawa said Wednesday. The cabinet has not decided bow the burden will be divided between the central and local governments, he (Bloomberg, Reuters)

### Very briefly:

 Malaysia is setting aside up to 3 billion ringgit (\$727.3 million) to help banks that need recapitalization. Finance Minister Anwar Ibrahim said. The amount includes the 1.5 billioo ringgit that Malaysia said Tuesday that it would pump into a new body. Danamodal Nasional Bhd., to buy stakes in ailing banks and help recapitalize them.

· Nike Inc. plans to pull ont of its manufacturing operations in the Philippines as part of global cost-cutting measures, said Melito Salazar, managing director of the country's Board of Investments, although he said his office was negotiating with Nike officials to try to convince them to stay.

Swire Pacific Ltd. stock fell after the diversified Hong Kong company reported a slump in profit and cut its dividend. Swire said profit for the first six months of the year fell 39 percent, to 2.01 billion Hong Kong dollars (\$259.4 million). The shares fell 1.25 dollars, to 24.30.

 Daewoo Motor Co. workers have agreed to a deal to avert mass firings as the South Korean automaker attempts to

weather the economic crisis. Daewoo agreed not to dismiss workers until the year 2000 in return for a wage freeze this year and cuts in some benefit costs.

Coca-Cola Amatil Ltd., the Australia-based soft-drink bottler, posted a slightly stronger-than-expected profit for the first half, but warned that its second half would be lower because of Asia's economic problems. Earnings before extraordinary items rose 4.3 percent, to 102.3 million Australian dollars (\$62.4 million).

· Bayer AG, the German chemical and pharmaceutical company, agreed to set up two joint ventures to produce insecucides and other chemicals in China with Shanghai Zhongxi Pharmaceuticals. Bayer will invest 80 million Denische marks (\$45.2 million) and will hold 70 percent of

• Japan's sales of imported vehicles dropped 19.8 percent in July, to 25,146, compared with a year earlier. That followed a 25.5 percent drop in June.

7-08-98.

# **Hanoi Narrows Currency Band**

HANO1 - Vietnam said HANO1 — Vietnam said bankers had been expecting Thursday it would narrow the Vietnam to permit a small trading band for its currency, downward adjustment of the available the night before on a the dong, to 7 percent from 10 dong to boost export com- recorded message at the cenpercent, a move that bankers pertureness and bring life tral bank. However, that messaid could pave the way for a back to the interbank market, sage said late Thursday the

Bank of Vietnam said the months the dong would not be trading band decision would : devalued. take effect on Friday.

But one senior official at
The central bank sets the the central bank said the mar-

tom of the 10 percent band of the dong.

the official rate would probsince the government allowed "Don't call it an appreciably change by a reasonable adownward adjustment of ation or depreciation, it also amount on Friday.

lar, but with the 10 percent meant the central bank would band is just a game. The pivot trading band it stayed a bit now adjust downward the of- rate could be changed accordunder 13,000 to the dollar.

ation remain strong, she said.

New upswing, new jobs.

ि optimism in its forecast Thursday.

Continued from Page 13

Webber, said the output data "certainly do not speil the end of the German recovery or anything like it."

Indeed, many observers expect the pace of expansion to pick up this year.

The Organization for Economic Cooperation and Development, in its latest report

from Paris, forecast a real, or inflation-ad-

justed, 2.9 percent expansioo in 1999, up from

2.7 percent this year and 2.2 percent in 1997.

the recovery, Mr. Kohl's party has plastered

posters across Germany with the slogan,

In his campaign speeches during the last two weeks, Mr. Kohl has pledged that unemployment will drop below 4 million by

autumn. The elections will be held Sept. 27.

But the OECD undercut the chancellor's

The 29-nation economic planning groop predicts that German unemployment will rise

Trying to derive political momentum from

Business confidence and capacity utiliz-

For some months foreign trading band.

But government leaders A statement from the State have said repeatedly in recent until Friday morning.

ank of Vietnam said the months the dong would not be Local bankers said the nar-But one senior official at

official doog rate daily. ket should not interpret the The fixed, non-convertible Thursday decision as dong has hovered at the bot-amounting to an appreciation

5.3 percent in February.

The dong was fixed on the said.

Thursday at 11,815 to the dol
He declined to say if that depends oo the official rate,"

ficial rate after narrowing the ingly tomorrow.

**GERMANY:** Jobless Rate Falls but Rolls Grow

Normally, the official rate for a particular day is made rate would not be available

rowing of the band was a clear sign that the central bank would devalue the dong.

One official at a local com-mercial bank in Ho Chi Minh City, the former Saigon, said the official rate would prob-

A Vietnamese executive at a foreign bank said: "The latest change in the trading

again this year to 4.41 million from 4.38 million in 1997, undercotting the government

forecast of a drop this year to 4.315 million.

at 11.5 percent and an average 4.4 million will

reach an absolute postwar record," said the

economics affairs specialist for the Social

Pollsters said the new jobs have oot multiplied quickly enough to deliver a broad-

"There is no breakthrough," said Mr. Walz, noting that past recoveries generated

jobs more rapidly.

The Joly jobs figures continue to show an

Companies in the west took on oew hires as

Bot in the formerly communist Eastern

export orders fattened their books and

Germany, underlying unemployment stag-nated and fell only because of heavy new

outlays to expend government make-work programs, said Klaus Leven, vice president of the Federal Labor Office.

east-west split running through Germany.

Democratic Party, Ernst Schwanhold.

based feel-good effect.

bolstered confidence.

"The OECD confirms the fears of the SPD that in 1998 mass unemployment in Germany

# **Your Guide To** 126 Top French Companies

# ERENCH COMPANY HANDBOOK 1998

Published by the International Herald Tribune and Bloomberg, the 1998 edition includes detailed profiles of all the companies in the SBF 120 Index.

The SBF 120 Index includes the CAC 40 plus 80 other major firms that are the

companies to watch in the coming years. Each profile includes: head office, CEO, investor relations manager, company background and major activities, recent developments, sales breakdown, shareholders, subsidiaries and holdings in France and internationally, 1993-1997 financial performance,

and recent stock trading history. Updated annually, the Handbook is indispensable for anyone who needs to know about the leading companies in the world's fourth-largest economy.

### SBF 120 INDEX: CRÉDIT LYONAVAIS LECRAND LEGRIS UNDUSTRIES ACOR. ACFUSSIFIANCES CÉVÉRALES DE FRANCE. AIR CACHEDE. ALCAREZ ALSTROM. DANONE DASSAULT ELECTRONIQUE SITA SMS ROSSIGNOL SOCIÉTÉ GÉNÉRALE CORÉAL SODENHO ALLIANCE SOGEPARC DE DIETRICH MÉTROPOLE TÉLÉVISION (M6) DEMA ERFAGE SOMMER ALLIBERT ACTEAN TECHNOLOGIES FLF ACUTTAINE MICHELIN SPIR COMMUNICATION MOUBLINEX EXIDANIA BÉGIEN-SAY NOTEXES S.A. STRAFOR FACOM ESSELOR INTERNATIONAL PARIBAS SUEZ LYONNAISE DES EAUX SYNTHÉLABO PATHE. BONGBARN BONGBARN EURAFRANCE EURO DISNEY S.C.A. PECHNEY PERNOD RICARD PEUGEDT S.A. BONGERIEN BONYCHES BONYCHES OFFSHORE ELECTURNEL S.A. FRANCE TELECOM PINAME PRINTEMPS REDOUTE gan Gazeteabk PLASTIC OMNTUM CANALA. CAP GEMINE GÉOPHYSIQUE GRANDVISION PEHMAGAZ CARBONE LORRAINE CARREFOOR USENOR CROUPE BULL RÉMY COINTREAU WED CASENO CASTORAMA GUIL BERT GUYENNE ET GASCOGNE HACREJTE FILIPACCHI MÉDIAS PHONE-DOES ENC VIVEND SAGEM S.A. SAINY-COBAIN CLEEKTS FRANÇAIS SANOFI SCHNEIDER S.A. CLARING CLUB MEDITERRANES PLUS THESE COMPANIES: BAETAL INFOGRAMES ENTERTAINMENT AÉROPORTS DE PARIS (ADP) COFLEGO STENA OFFSHORE SEB S.A. COCEMA EDF-ÉLECTRICITÉ DE FRANCE COMPTORS MODERNES SETTA ELF ATOCHEM GAZ DE FRANCE

### investors are more pessimistic about future profits, mainly advice is to sit tight or buy LAFARGE LAGARDERE SCA CHETT COMMERCIAL. DEFRANCE COF more. That is what Mr. Hen-

exceeded 10 percent.

Yes, scandals can affect down. elections, which can affect economic policy. Mr. Clinton's troubles could lead to Republicans' gaining seats in Congress this November or Asia is beginning to affect even the White House in 2000. But it is hard to see bow that would upset Wall Street.

however, may have been a ried, as they should be. catalyst. Bob Farrell of Mer-rill Lynch & Co., one of the Business Machines Corp. rebest analysts in the business, warned clients July 22 of the for the second quarter were up deterioration in stocks just a measly 5 percent after fullbelow the blue-chip level and said that the bull market was and 15 percent in 1996. While said that the bull market was coming to an end. Why?

wrote. "They find a trigger wheo they are ready.

Monica may have been that trigger, but it could just as easily have been something else. Let's ignore politics and return no basics. The value of a stock is ultimately determined by the profits of the company that issues it. Stocks are priced prospectively - that is, based on predictions about

causes prices to go up or

because the economic crisis in companies based here. Worse, they see a possible recession, the first decline in U.S. growth The rebirth of the scandal, in seven years. They are wor-

cently reported that its earnings double-digit profit increases "Markets prepare to go up have been the norm for the last few years, the average for all

MARKET: What to Do? Sit Tight or Buy More Continued from Page 13 future profits. A change in that stocks has been just 4 percent view of the future is what over the last three months. If the economy is indeed own.

Right now, it appears that small investor do? The best

derson of Chicago Trust is doing, as much as he frets aboot the Lewinsky scandal. "We're not doing any selling," Mr. Henderson said. Instead, he has been buying timee "steady, above-average growers": Harley-Davidson Inc., motorcycles; Ecolab Inc. maintenance services, and AES

Corp., global electric power. That could be the ticket to success - companies with strong brand names and stable profits that have been passed over, or, perhaps thanks to Monica, beaten down.

### RECRUITMENT

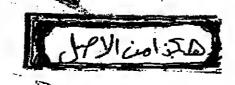
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Mark Butcher saluting Thursday after reaching a century.

### **England Collapses**

CRICKET Mark Butcher scored 116, but his 10 teammates managed fewer than 100 runs between them as England was bowled out for 230 by South Africa on the first day of the final test in Leeds. The series is tied at 1. England reached 181 for wickets before

### Real Joined 'Super' Talks

SOCCER Real Madrid said it had soccer Real Madrid said it had taken part in talks aimed at setting up a European Superleague. Lorenzo Sanz, the club president, told a Spanish newspaper he had discussed the competition with officials from AC Milan, Marseille and Bayern Munich,

· Achmat Sallie, a linesmen at the World Cup final, faces sanc-tions in his native South Africa after he showed the same player the yellow card twice in a league match hut then forgot to send him off.

• The English Premier League is the ricbest in the world, according

to a Thursday report by the ac-counting firm Deloitte & Touche.

It calculated that the Premier League grossed £464 million (\$754 million) in the 1996-97 season. compared with £377 million by Italy's Serie, £232 million by Spain's Primera Liga, and £209 by clubs were excluded because of a lack of comparable data. (Reuters)

### Angels Discard Fielder

BASEBALL Cecil Fielder, one of the most prolific home run hitters of the '90s, was designated for assignment by Anaheim. Fielder, 34, was hitting .241 with 17 homers. (AP)

### NBA and Players Meet

BASKETBALL The National Basketball Association and its players June 22 for talks on the lockout.

# **FINA Bans Smith From Swim Meets** For 4 Years

The Associated Press

LAUSANNE, Switzerland -- Michelle Smith-De Bruin, who won three swimming gold medals in the Atlanta Olympics, was banned from swimming competition for four years Thursday after being found guilty of tampering

with a urine sample.

The international swimming federation, FINA, ruled that Smith manipulated an out-of-competition drug test by spiking her sample with a lethal concentration of alcohol.

The presence of alcohol, which the doping lah found was "in no way compatible with human consumption," suggested a possible attempt to mask the

presence of any banned drugs. Although the Irish swimmer escaped the maximum penalty of a life ban, a four-year suspension would effectively end her career. Smith is 28 and would miss the 2000 Sydney Olympics and the 2001 world championships in Fukuoka.

The han goes into effect immedi-.

Smith is believed in the first worldclass athlete ever suspended for manipulating a urine test, as opposed to testing positive for a banned substance.
Smith's lawyer, Peter Lennon, said he would not comment on the ruling

until a news conference Friday. The statement said Smith was banned under two rules - one covering a competitor who "uses or takes advantage of banned procedure" and the other for use of substances and methods which alter the integrity and validity of urine samples used in doping control.

Smith, who says she has been tested more often than any other international



Michelle Smith-De Bruin celebrating a victory at the Atlanta Olympics.

swimmer, underwent an out-of-competition urine test Jan. 10 in Kilkenny County, Ireland.

Two doping control samplers were present while Smith provided the sample. The lah said the sample had a very strong whiskey odor. The federation said Thursday that its

investigation found that the urine was

manipulated by the swimmer. ■ Cycling Incidents Reviewed Union and organizers of major races met Thursday to discuss the scandaltainted Tour de France, Agence France-Presse reported from Paris.

The officials of the group, known as UCI, held four hours of discussions with race organizers, but there was no state-

ment after the meeting.
"The UCI will make several important decisions over the next few weeks,' said the race director of the Giro d'Italia, Carmine Castellano. "It was not a ques-Officials of the International Cycling tion of finding solutions today."

# In Home of World Cup, Domestic Duty Restarts

French League Opens Without Stars

By Christopher Clarey

ARIS — The majority of French soccer players return to work on Friday and Saturday as their domestic leagne begins a new season. But the majority of the French players who won the World Cup will be elsewhere.

Fourteen of the 22 young men who cavorted about the Stade de France after beating Brazil less than a month ago work abroad, in cities such as Turin. London, Madrid and Municb.

French players have been popular abroad since the 1980s, but the exodus has gathered pace since the Bosman ruling set free-market forces in motion in 1995. If the domestic leagues in England. Italy and Spain are better for the movement, the French league is not.

Never the deepest in Europe, it is a poor relation to its neighbors, with their larger television contracts, more sophis-ticated marketing schemes and lower national rates of taxation.

Of the 11 French who started the final against Brazil, only goalkeeper Fabien Barthez, he of the bald and talismanic pate, will play in the French first division this season, but he, along with young strikers Thierry Henry and David Trezeguet, plays in the principality of Monaco.

It will be an odd and potentially de-flating homecoming for those three. After performing in front of 80,000 fans in the Stade de France and waving to hundreds of thousands more as they traveled the Champs-Elysees in the team's open bus, they will return to Stade Louis II in Monaco, which has

only 20,000 seats and rarely fills half.
"I knew that the risk of being disappointed after coming back to Monaco existed," Trezeguet said last week.

"That's why I spent my ten days of vacation preparing myself mentally."

The vacations were indeed brief for the "champions du monde," and in a sport where the physical demands are ever greater, their biggest challenge this season may not be scoring goals, or in the case of Barthez, denying them. It may be staying healthy and motivated.

"They are going to have very little time to recover," said Arsene Wenger, the coach of Arsenal, the English Premier league champion, of his two fellow Frenchmen, Emmanuel Petit and cerned about their state of mind after having gone through something so emotional. Sometimes victory can make you lazy. That's why one must be very vi-

The good news for the six weary world champions who play in Italy, including Zinedine Zidane and the captain, Didier Deschamps, is that Serie A does not begin until mid-September.

Despite the absence of these big draws, there is reason for the French league to feel encouraged. In the last two years, with the World Cup looming, many of the nation's stadiums have been either enlarged or modernized. This, league officials hope, will make. them more attractive, especially to the surprisingly large number of women who caught the soccer virus this summer while following Les Bleus.

"Our stadiums are too good now to be left empty," said Noel Le Graet, the

French league president. "The World Cup has changed people's perception of soccer in France. The image of the sport already improved in recent years but the Cup belped us gain five years in a hurry. We would not have had all these stadiums without it."

L'Olympique Marseille, the cluh with the largest following in French soccer, has doubled its number of season ticket holders to approximately 35,000. Smaller clubs, such as Lens, last season's surprise champion, also have experienced significant jumps.

Lens will enter the European Cham-pion's League, Metz, last season's equally surprising runner-up, could also qualify to face the likes of Barcelona, ventus and Arsenai.

Both lost important players in the offseason, but when Robert Pires left Metz. he elected to stay in France rather than follow his World Cup tearnmates abroad. The attacking midfielder was transferred to Marseille for 60 million francs (\$10 million).

It was a triumph for the French league and one of several signs that the talent drain is slowing. Despite myriad ru-mors. Monaco kept Henry and Trezeguer along with star Nigerian striker Victor Ikpeba, and perhaps most significantly, its coach, Jean Tigana.

Tigana was the first choice of the French Football Federation to replace Aime Jacquet as national coach, but Jean-Louis Campora, the Monaco club president, refused to allow Tigana to eak the two-year contract he signed in

Instead, after a lengthy and not terribly reassuring delay, the federation elected to hire Jacquer's World Cup assistant, Roger Lemerre, in late July.

Lemerre, like Jacquet, is a 50something technician with ample ex-perience as both a player and coach in the French league. Although his name will stir precious little recognition outside France, he has been on the staff of . the national technical directorship since 1986 and is well-respected by his players and colleagues. But even if be man-ages to lead France to victory in Euro 2000, he never will be able to repeat what Jacquet, now national technical director, accomplished. You only win the World Cup for the first time once. "I'm well aware," Lemerre said,

'that nothing will be the same again in French soccer. But that's no reason to turn down a good job."

met Thursday for the first time since Billy Hunter, the director of the

NBA Players Association, said Wednesday that a majority of Women's NBA players bave agreed to form a nnion. (AP)

### 'Fore!' Some Golfers Glory in the Drive "Imagine Arnold Schwarzenegger 'I don't want to miss out if he ever

By Ron Dicker New York Times Service

Ralph Di Pietro traveled for four hours from Toronto to a driving range in Cicero. New York, for this moment. A tenrion at the mobile home dealer's across the street. The sky was clearing after a morning thunderstorm. The conditions were such that if the collision of titanium and hall was exactly right, Di Pietro would launch his best shot.

Di Pietro repeatedly bent himself into a pretzel-like shape with an exaggerated backswing and whipped the club from his beels. The halls sprayed everywhere except straight and far.

At any time, any person can win it,"

This is a weekend routine for Di Pietro, a former minor-league hockey player who satisfies his competitive urges by entering long-drive contests.

Di Pietro's wife, Debbie, with pa-

perback in band, planted a lawn chair near the tee for what would be an all-day affair. She would follow him the next week to another long-drive contest in

does crank it," she said. Tournaments for distance-hitting have flourished on the fringe of the golf

Everybody wants to see the hig hitthe Long Drivers of America. "People will follow John Daly and Tiger Woods around even if Corey Pavin is win-

No one is a better long driver than Jason Zuback. He is a 5-foot-10-inch (1meter-78-centimeter), 215-pound (98kilogram) power lifter from Drayton Valley in Alberta, Canada. Zuback has twice won long-drive championship and consistently hammers the ball more than 400 yards (366 meters). Many pros would leap out of their cleats at the thought of driving the ball even 300

The club head of choice is made of titanium. The shaft is graphite and often longer than that of conventional drivers. The players come in all sizes. Taller es naturally generate more leverage, while the shorter hitters like Zuback compensate with strength training to increase their club velocity.

with a golf game," said Brian Ciampichini, organizer of the contest in Cicero, New York. Zuback has become such an attrac-

tion that he has given up his joh as a may snift, Zuback said by telephone, hut "typically, they're the people who can't hit it very far."

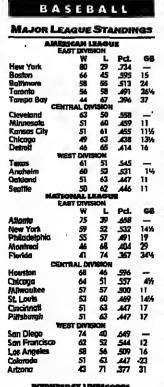
At the recent gathering in Cicero, Boh Gilkey, 71, hraved six hours of saunalike heat to see the hopefuls take their

"I like to watch guys who do things you can't do," he said.

Three hours into the competition, Gilkey got what he came for. Craig Mabee, who owns an indoor golf range in nearby Binghamton, crushed a ball that disappeared into the ether. Mabee dropped his club in disbelief. "Keep " he said. "It's out of the air-

Officials found the ball nestled in a patch of goldenrod. The measurement 341 yards I foot 2 inches (312 meters 17 centimeters). It was no Zuback, but it was enough to send Mabee to the district

# SCOREBOARD



-Ra. Myess, 3-4114. — legas, Julsonealez (22).
New York 900 010 000-11 4 9
Oaktama 900 426 4Tx-3 2 6
Inaba and Posada; Candiotifi and Hinch.
W—Candiotifi. 7-13. — Inaba. 10-5.
HRs—New York, T. Marilinez [18]. Oakland.

Altente 300 302 800—9 10 1
Tomka, Kriveta (6), Bethad (6), Hustek (8),
Graves (7) and G.Garcia, Taubersee (8),
Neagle, Da.Martinaz (7), Rocker (8),
R.Springer (7), Wohlers (7) and J. Lapez,
W—Hudek, 4-5. L.—R. Springer, 5-4.
HR.S—Cincinanti, II. Young (10), W. Greene
(14). Altenta, Kleske (16), J. Lapez (23),
Philadelphia 050 000 000 200—0 5 0
San Diego 010 030 00x—4 9 0
Schilling, Spradiin (7), M. Letter (8) and
Estutella: K.Brown and C.Hernandez, W—K.
Brown, 14-3. L.—Schilling, 10-11.

Bullimore, 90: A. Rodriguez Seatile, 69: Garciarparra, Bostion, 87.
HITS—A. Rodriguez, Seatile, 142: Erstod, Ancheim, 140: Higginson, Defruit, 137: G. Anderson, Arabelm, 136: O. Helli, New York, 136: I. Rodriguez, Texas, 135: Oleter, New York, 134: Segul, Seatile, 134.
IROUBLES—Introduction Boston, 35: Erstod, Anahelm, 34: I. Rodriguez, Texas, 34: Thoma Cleveland, 32: Justica, Cereland, 32: G. Anderson, Anahelm, 31: C. Delevotin, 32: G. Anderson, Anahelm. 31; C. Dekgodo. Toronto. 31; Edmands, Anahelm. 31; J. uGanzalaz, Tenas, 31; EMartinez, Seattle, 31. TRIPLES—Offermon, Karasso Gry. 10; Garciogama, Boston, 7; McCracker, Tampa Bay, 6: Damon, Konsen City, 6: OJeter, New Sol, & Demon, Romen Livy, & Olsjer, New York, & Durham, Chicago, & GAnderson, Anaheira, & O'Leary, Boston, & HOME RUNS—Criffey Jr. Seattle, 41: Belle, Chicago, 34 A, Rodriguez, Seattle, 31: RPfotmetro, Bultimore, 33: Ji Gonzalez, Yesus, 31: Correcco, Taronfa, 31: Thome, Omenterol 20 Cleveland, 29.

STOLEN BASES—Henderson, Ookland,
46; Lysten, Cleveland, 36; Stewart, Toronto, 32:
A. Rodriguez, Scottle, 31; T. Goodwin, Texas,
29; OffermankansusCity,
39;
Blitton, Daniel 29; B.L.Humler, Defroit, 27.
PITCHIHG (13 Decisions)—D. Wells, New

AMERICAN LEAGUE LEADERS 4. 714. 3.22; Helling, Teams, 14-6, 700, 4.59; Cerrens, Torondo, 14-6, 700, 3.12.

STRIKERUTS—R. Johnson, Seattle, 3.12; P. Martinez, Baston, 170; Cerrens, Torondo, 162; CFinley, Arabelin, 157; Cone, New York, 145; Erichson, Baltimora, 130; Saumders, Tompo Boy, 173; Seles Teams, 123; Perchyol, Arabelin, 32; ARTerut, New York, 29; Westeland, Teams, 29; RuMyers, Tarondo, 28; Metheland, Teams, 29; RuMyers, Tarondo, 28; NATIONAL LEAGUE LEADERS

Randol Pit 102 384 64 129 33.6
VGuerrer Mon 110 436 78 145 333
DeBell Hou 107 445 77 145 326
Gwynn Sh 104 378 56 123 325
Morandéri Cht 106 400 67 129 322
Crifio Mil 108 416 73 133 320
Evereft Hou 95 337 62 108 320
MoGroce Cht 110 403 66 129 320
RUNS—Chicage, Sharman, 91; Bigglo, Houston, 90; GYoughn, San Diaga, 84; McGavire, St. Louis, 86; Glamille, Philodelphia, 85; Boywell, Heuston, 83; Soso, Chicage, 81.

RBH—Sode Chicoga, 108; Castilia, Colorada, 100; McGwire, St. Lovis, 100; Alou, Houston, 95; G. Vooghn, San Diago, 92; Blicherle, Colorado, 91; Gaizraga, Alberta, E.Z. H173—Bicherle, Coforado, 157; Giornial, Philodephia, 147; Courren, Montrael, 148; DeBerl, Houston, 148; Biggia, Houston, 144; Castilia, Colorado, 141; Sast, Chicoga, 136. DOWBLES—D, Young, Cincinnali, 38; L. Nippo, Chicherle, Colorado, 37; Biopia, Houston, 36; Chirten, Fullmer, Montreel, 34; Bicherla, Colorado, 36; Chirten, Pittsburgh, 32; Floyd, Florido, 32; Doiel Deleicher, Pittsburgh, 32; Floyd, Florido, 32; Original Resident, 32; Chiral Colorado, 37; A. Litte

Jones, Allenta, 7; DeShleida, St. Louis, 7; B. Lundin, Cincinnati, 7; Dellucci, Artaina, 6; VGuerraro, Montreal, 6; Giotnália, Philodelphia, 6; K. Garcia, Arizona, 6; Vina-

VGORTHE, MORREEL, & SATIME, PROBREDINA, & V. ROCK, A. MORREEL, & K. GORCIA, ARIZONA, & V. NOMER MEMORIES, & S. J. GORCIA, ARIZONA, & V. SOSA, C. CHARDA, & S. LOVIS, & SOSA, C. CHARDA, & C. C. VRUGHM, S. DI DIEGO, & S. C. CHARDA, & S. GORTHOR, C. CHARDA, & S. GORTHOR, C. CHARDA, & BLOGIA, HOUSING, & Rederica, Partica, 36 Blogia, Housing, & R. Rocker, & Rocker, & Prince, 19, P. Charda, & B. Louis, 19, McRos, N. Y., 19, Bonds, Son Francisco, 19, P. TCHING, (13 Decisions).—K. Brown, Son Diego, 13-3, B12, 2-7; Glavins, Alignita, 14-4, 778, 2-41; G. Maddar, Affarita, 14-5, J. 24, 13-4, Kandara, Affarita, 11-5, A67, 3.87, STEINSOUTE.—Schiffing. Philodelphia, 21-4, Wood, Chicago, 179; K. Brown, Son Diego, 187; Stoffennyes, St. Lovis, 147; GMaddara, Affarita, 145; Nome, New York, 134; Reymolds, Houston, 132.

Antonio, 132.
SAVES—Horimon, Son Diego, 37/ Beck, Cricogo, 35; Shore, Los Angeles, 35; Ners, Son Francisco. 26: Urbins, Montreal, 24: B. Wagner, Houston, 22: J. Francis, New York, 21.

CRICKET

THURSDAY, IN LEEDS, ENGLAND land: 230 oil out

M ANSTERDAN **QUARTERPHALS** Karol Kucera (1). Slovakia, def. Derrinik Hrbaty (7). Slovakia 6-2. 6-1) Richard Fromberg (6), Australia def. Adrian Voinea,

TRANSITIONS

MERICAN LEAGUE

AMARIZAN LEAGUE
AMARIZAN-Signed Terry Collins, manager,
to 1-year control extension, through 1999,
Designated 1B Cecli Fielder for assignment,
Activated 1B-OF Tedd Greene from 60-day
disabled list. assumed nor.

BOSTON—Signed SS Adom Everett, Bought contract of OF David House from Mastrua of Atlantic League and assigned him to

DETROIT-Signed RHP Nate Comeio.

Syrocuse. IL.

NATIONAL LEAGUE

ARIZONA— Recoiled RHP Barry Moruel from Tocson, PCL. Activated 38 Marti Williams from 15-day disobled fist. Optioned OFferst Brede to Tucson. PCL. Recoiled INF Honley Frios from Tucson.

ATLANTA—Agreed to terms on minor-league contract with LHP Norm Chardron and RHP Paul Wagner.

CHICAGO CUBS—Exercised their options on Contracts of Ed Lynch, general manager, and Jim Rigglendin, manager, for 1999 geoson.

CINCANNATI—Recoiled LHP Dennis Reyes from Indianopolis, IL.

CIRCINNATI—Recalled LHP Dennis Reyes from Indianopolis, IL. COLORADO—Optioned RHP Fred Roth to Colorado Springs, PCL. Recolled OF Denrick White from Colorado Springs. FLORIDA—Signed OF Chip Ambres. L. A. DODGERS—Activated INF Bobby Bonikin from 15-day disobled 8st. Optioned INF Alex Coru to Albuquerque, PCL. Ant. Was Ares—Optioned LHP Valento De Los Santies and LHP Raticel Roque to Louis-Visie. IL. MONTREAL—Recalled RHP (Imment Dennis).

MONTREAL—Recoiled RHP Jeremy Powell montrival—received KHP Jerenty Power from Hamsburg, EL. N.Y. METS—Optioned C Vance Wilson and OF Benny Agbayumi to Norfolk, IL. Put Of-Butch Huskey on 15-day disabled list. Re-called C Todd Pratt from Norfolk.

FOOTBALL HATIONAL FOOTBALL LEAGUE RANSAS CITY\_Signed OL Rob Selby.
Placed OL Note Parks on receive left-camp



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### **SPORTS**

# Sosa's 43d Homer Fails to Lift Cubs

Fox and Batista Power Arizona, Handing Wood 1st Home Loss

The Associated Press

Sammy Sosa bit his 43d home run of the season to close to within two of Mark McG- Lee hit a three-run borner, and wire, the major-league leader. Jesus Sanchez pitched seven In spite of Sosa's homer solid innings on a 92-degree-In spite of Sosa's homer solid innings on a 92-degree—and the presence on the afternoon in Miami to win for mound of Kerry Wood, the only the second time in his rookie fastballer who had past 14 starts. never lost at home, the Chica-go Cubs fell, 10-7, at home

NL ROUNDUP

against the Arizona Diamondbacks.

and I'm not thinking about anything," Sosa said of the pursuit of Roger Maris's Boone hit a tiebreaking twohome-run record of 61.

homered for the Diamond-backs, and Andy Benes struck Dmitri Young drove in four out nine in six innings.

in the third with a two-run

Wood (11-6), who may skip wood (11-6), who may skip his next start to rest a "dead arm," gave up seven runs and nine hits in six innings.

Cardinals 5, Browers 1 The slumping McGwire, who has not hit a home run since July 28, sat out during the St. Louis Cardinals' victory in Milwaukee. His replacement at first base, John Mabry, homered and singled in a run

for the Cardinals. Mabry, who was booed during introductions and again Wright had been 0-4 with a when he stepped to the plate 7.17 earned run average in for the first time. But he nine starts since June 13. quickly quieted the crowd of 26,000 by sending Jeff Juden's first pitch into the fifth inning with a two-run right-field seats for his sev-homer that followed Jeff enth homer of the season.

McGwire did not start for only the eighth time in 113

"He hasn't had a day off in



The Cubs' Sammy Sosa hitting a two-run homer, his 43d.

most important part of the game is to keep him fresh." Martine 5, Astros 3 Derrek

Sanchez allowed six hits and three runs, but two of them were unearned.

Craig Biggio sat out the game, ending his streak of andbacks. 494 consecutive games, 11 have a lot of the year left second only to Cal Ripken among active players.

Reds 13, Braves 9 Aaron run single in the ninth as Cin-Andy Fox and Tony Batista cinnati snapped Atlanta's

runs for the visiting Reds, in-Sosa pulled the Cubs to 5-3 cluding a two-run homer in the first Ryan Klesko and Javy Lopez hit three-run homers for Atlanta, which squandered

leads of 6-3 and 9-6. Giants 6, Mots 4 In New York, rookie Russ Ortiz pitched eight-plus innings for his first major league victory as San Francisco won despite hitting into a triple play. Ortiz (1-1) allowed six hits, struck out eight and walked four.

Rockies 6, Pirates 2 Jamey Wright pitched a five-hitter won in Pittsburgh.

Wright, batting .189 at the by sending Jeff time, finished off a four-run

> Reed's two-ran double. Expos. 5, Dodgers 1 In Montreal, Carl Pavano pitched six shutout innings, and Scott Livingstone hit a two-nin third straight.

Wilton Guerrero, obtained from the Dodgers last Friday, scored on Livingstone's first-inning double and on his . Vladimir's brother single in the sixth.

Padres 4, Phillies 0 In San Diego, Kevin Brown pitched a fivehitter and tied a club record by winning his 11th straight decision as San Diego handed Philadelphia its sev-

enth straight loss. . It was the fourth complete game and second shutout this season for Brown (14-3), who struck out a career-high 11 and walked one. Brown also doubled, scored and made three nice defensive plays.



Houston second baseman Indians' catcher Pat Borders tagging the Angels' Orlando Palmeiro at home for the last out of the fourth.

# Candiotti's Knuckleball Deflates Yanks

The Associated Press Tom Candiotti's knuckleball baffled the Yankees as he threw a four-hitter to snap New York's three-game winning

The Yankees had averaged 11.3 runs in the streak, which ended with the 3-1 loss Wednesday night.

"He knows how to make his knuckleball dance and he knows how to throw it slow," said Darryl Strawberry, who struck out on an excruciatingly slow knuckler to end the game.

Candiotti, throwing some pitches as slow as 50 miles per hour, walked two and struck out six in his second complete game of the season. He won his second straight start after losing nine of his previous 10 decisions.

The only run off Candigmi (7-13) came on Tino Martinez's 18th homer, for the Cardinals.

for his first complete game of leading off the fifth. The Yankees

'I didn't pay \$80 to see the season and hit his first outscored the A's, 34-10, in the first
you hit!' a fan yelled at career home run as Colorado three games of the series. three games of the series.
"We threw them fastballs the last

couple of nights and that didn't work, so we decided we'd try the other direction," A's manager Art Howe said.

By Thomas Heath

Pashington Post Service

gers cried foul over the generous strike

zone accorded Baltimore Oriole pitch-

er Mike Mussina, but the American

League's umpiring supervisor shrug-ged off complaints, saying differing

"Every umpire has his own strike zone," said Marty Springstead, the AL

executive director of umpiring.

Long one of the most hotly debated

aspects of the game, the size and lo-

cation of the suike zone became par-

ticularly contentious for the Tigers on

Tuesday night, when Mussina pitched

a two-hit shutont. Tiger manager

the eighth after complaining about um-

Television replays appeared to in-dicate that some pitches Hirschbeck

called strikes were several inches wide

pire John Hirschbeck's strike zone.

striking out late in the game.

strike zooes were part of the game.

WASHINGTON - The Detroit Ti-

Hideki Irabu lost his second complete game of the season, even though he allowed just two hits for the Yankees. Irabn (10-5) gave up a soft run-scoring single by Rafael Bournigal in the fifth, and a home run by Rickey Henderson in

the eighth. Orioles 6, Tigers 1 Juan Guzman pitched seven innings of four-hit ball in his Orioles debut, and Rafael Palmeiro hit his fifth career grand slam as Bal-

AL ROUNDUP

timore beat Detroit for a two-game

The Orioles won the season series 10-1, their best single-season record against Detroit in franchise bistory. Baltimore is 20-5 since the All-Star break.

Guzman gave up one run, struck out two and walked one and has allowed only two earned runs in his last four starts. Devil Rays 7, White Sox 3 Fred Mc-Griff homered to key a six-run, eighth-

Quirky Strike Zones? Part of the Game

consistent umpire. There are no hig

of every player to know an umpire's strike zone, just as players followed each other's individual strengths and

weaknesses. "I'm sure they scout um-

pires also," Springstead said.
The 1998 Official Baseball Rules

define the strike zooe as "that area

over bome plate the apper limit of

which is a horizootal line at the mid-

point between the top of the shoulders

and the top of the uniform pants, and

Springstead said the last sentence

into play that affected the definition of

the strike zone: the player's stance as of the plate. Oriole outfielder Eric Davis also complained to Hirschbeck after position and the pitch being thrown.

by you start calling strikes on pitches a foot outside, "be said, "it's physically

He also said it was the responsibility

Springstead acknowledged Wed-nesday that Hirschbeck had a generous are offering to hit the ball," Spring-strike zone, but added, "be is a very stead said.

the lower level is a line at the bollow rule book and paste it up on home plate beneath the kneecap. The Strike Zone and that's your strike zone," he said.

was important because, as the batter curveballs. You have unpires who are prepared to swing, several things came 6-6 (1.98 meters), or 5-10."

"The strike zone varies because you impossible to hit."

inning rally in Tampa Bay's home victory over Chicagn.

McGriff began the eighth with his

surprises."

Buddy Bell and outfielder Bobby Hig- shall be determined from the batter's

ginson were ejected in the sixth inning, and outfielder Luis Gonzalez went in at a pitched ball."

finished the expansion team's scoring in its most productive inning of the season

by singling in a run.

Albert Belle, Frank Thomas and Jeff Abbott hit solo homers for Chicago. Royals 4, Twins 3 Sal Fasano broke

out of a slump with a three-run homer. and Jose Offerman hit a solo shot, extending his hitting streak to 24 games, as Kansas City's won in Minneapolis. Fasano, hitless in 12 at-bats and hit-

ting .114 over 15 games, homered off Frank Rodriguez with two outs in the fifth inning to help Kansas City to its fifth victory in six games. Rangers 4, Blue Jaya 3 Texas trailed Toronto, 3-2, entering the bottom of the suddenly this cultureless ninth. Juan Gonzalez tied the game with a

solo home run, then Mike Simms drove in the winning run with a pinch-hit single. It was Gonzalez's 32d homer of the season and took his major-league leading run batted in total to 117.

Indians 6, Angels 5 Manny Ramirez hit a two-run homer in the ninth inning as Cleveland ended a five-game losing streak with a victory in Anaheim.

According to Springstead, there is

room for interpretation about the width

of the strike zone, although the rule

book definition indicates that its width

is that of home plate, which is 17

inches. Springstead said only a portion

of the ball might pass over the edge of the plate, or the ball might move sud-

denly, or the player might move, all

factors that went into an umpire's in-

stantaneous determination of whether

to define. People think you can take the

"People don't think of all the variables

that come into it. You've got guys who

bat from the left, guys who bat from the

right, knucklehall throwers, fastballs,

That didn't make Higginson, the Ti-ger outfielder, any happier. "When

CALVIN AND HOBBES

MURRE HAVE YOU BEEN ! I'VE BEEN CALLING AND CALLING. YOUR DINNER'S COLD, I'M SURE.

WIZARD of ID

"Strike zones are a very hard thing

it was a strike.

# Cowboys' Facelift Begins in a Sauna

By Jody Goldstein
Washington Post Service

WICHITA FALLS, Texas Most Texans know Wichita Falls simply as a stopover on the drive from Houston to the mountains of Colorado. It's an oasis of chain restaurants and cheap motels, just minutes from the Oklahoma border, hours into the vast nothingness of west Texas.

The town is particularly prond of its "Hotter Than Hell" hicycle race, which takes place in August in temperatures that often top 105 degrees Fahrenheit (40 degrees centigrade). But this surraner, Wichita Falls also can boast about luring Jerry Jones and his Dallas Cowboys into its sauna.

It's the perfect change for the National Football League team desperately hoping for an image makeover, a one-month sentence in a town that has more churches than bars, more strip malls than strip clubs.

I guess the locals here are pretty proud of their heat," quarterback Troy . Aikman said after a full week of 100plus temperatures.

Until the Cowboys came to town, there wasn't much else to brag about But with the Cowboys came fans and national media exposure and town is in the national spotlight. It doesn't matter to the citizens that they are opening their arms to a team that had one player escape a jail sentence after he admitted to recreational drug use and extramarital sex. Another missed much of last season after a league suspension for violating the substance-abuse policy. Still others have been

minor scrapes with the law. But that was before Camp Gailey. When the new Cowboy coach, Chan Gailey, gives his players Sundays off, it's not to let them sleep off the effects of Saturday night, but because the born-again Christian wants to attend church.

involved in paternity suits and

Gone are the Barry Switzer days when practices might have ended early and coaches and players were spotted horsing around on the sideline. Gailey is a precision guy. When he first got to camp, he walked off the number of steps between the player dorms and the cafeteria. When he calls a news conference at 3 P.M., he waits elected to keep his defense in outside the door until the big the hands of coordinator hand firmly rests on the 12. Dave Campo, who retained When he sets a team rule,

tremendous change going on talent is aging.
within our organization," Aik"The windo man said. "With that comes nity is closing with the guys enthusiasm. Yet, we all realize we're accustomed to playing it all comes down to whether with and to seeing," Aikman we win football games."

In previous years, the Cowboys earned respect by letting their on-field actions overshadow their off-field problems. But after last year's 6-10 record, the Cowboys need more than just their attitudes revamped.

The first step is an offensive overhaul, which is why Jones, the team owner, brought in the former Pittsburgh Steelers offensive coordinator as his new head coach. Gailey is the guy who defied critics by turning Kordell Stewart into an NFL quarterback and a guy who hopes to bring a No. 20ranked offense back into prominence.

He'll start by giving the Cowboys a new look. It won't simply be Emmitt Smith pushing through holes and Michael Irvin lining up on the right side to catch Aikman's passes. The Cowboys' days of winning by sheer physical dominance are over and

coaching is now a priority.
"When you do things sometimes over and over and over, you're bound to get stale," said Smith, who had 25 touchdowns in Dallas's 1995 Super Bowl season, but only four last year. "Sometimes you need to make a change. We ran that offense a long time and obviously it was about time for teams to start catching up to what we were doing. They had a lot of

tape to watch. "Over the past couple of ears, it was an ego thing: We're going to do this. You just have to stop it.' And they

Gailey arrived in Texas with a playbook the size of the Dallas area telephone directory and even long-time veterans again became students

of the game.
The new look will feature some of the old, but will add Aikman in the shotgun, Irvin coming out of the backfield and more zone blocking in the running game. And don't be surprised to see a trick play or

college." Irvin said after the Cowhoys' first exhibition game, a 20-19 loss to Seattle, "I was so ocrvous. I was at home looking at the playbook and trying to make sure I knew where I was going on every play.''
The defeuse won't undergo

as many changes since Jones the hands of coordinator most of his staff.

"Now we've got a coach who's got different practice intact, which means two structure, different ways he things for the Cowboys — wants to do things and there's they have some talent and that

"The window of opportu-

SOMETIME YOU SHOULD TRY

TRANSMOGRIFTING

SOMEONE WHO

OF COURSE,

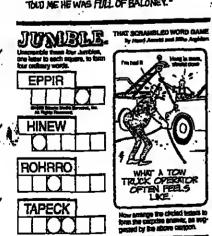
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have hurred.

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I DRIFTED AWAY ON MY BALLOOK

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AFIBE I MISTAKENCY TURNED
MYSELF INTO A SAFE, I
TRANSMOGRIFIED MID A LIGHT
PARTICLE AND ZIPPED BACK
HOME INSTANTINIBOUSLY!



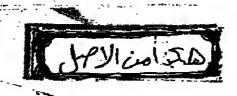












PAGE

# A 1945 Beaujolais?

By Frank J. Prial New York Times Service

POMANECHE-THORINS, France — In Georges Duboeuf's Beaujolais museum bere there is a fading pre-World War I photo of mustachioed workers posing at a local manganese mine with their picks and shovels.

The mine and miners are long gone, but the manganese remains in the soil, extracted these days almost exclusively by grape vines. It is the mineral that gives long life to the most

important local wine, Moulin-a-Vent, the king of Beaujolais, I visited to take Duboeuf up on his claim that, despite what the books say, not all Beaujolais is meant to be drunk young and that, in fact, some can have long, distinguished lives. Especially Moulin-a-Vent.

Beanjolais is one of the world's most popular wines. Some 15 million cases of it are produced every year, almost all of it consumed by the time the next vintage rolls around.

Most of this river is simple Beaujolais or the slightly fuller Beaujolais Villages — fresh, fruity wines, definitely meant to be drunk young. In some years, as much as half of all simple Beaujolais may be sold as Beaujolais nonveau, bottled less than three months after the grapes are picked. About 25 percent of each vintage consists of 10 "cru" wines, which carry the names of the towns or areas

Dubocuf says that not all Beaujolais is meant to be drunk young.

are the finest Beaujolais; richer in flavor, higher in alcohol, and longer lasting. They are: Brouilly, Cotes de Brouilly, Chenas, Chiroubles, Fleurie, Julienas, Morgon, Regnie, St. Amour and Moulin-a-Vent. It would seem reasonable to have had the tasting some-

from which they come. These

where in Moulin-a-Vent hat there is no town of Moulin-a-Vent. The special soils that produce Moulin-a-Vent are found in both Chenas and Romaneche-Thorins. The wine takes its name from a 15th-century windmill that is still standing. At the turn of the century, the villagers of Romaneche-

Thorins and of Chenas fought constantly, accusing each other of mislabeling their wines. In 1924, the courts finally fixed the limits of Moulin-a-Vent, spanning both towns.

The wine of Moulin-a-Vent bas little in common with the wines of the more southerly Beaujolais communes, even

though it is made from the same grape, the gamay. This is due to the rich soil, to different vinification techniques and, in some instances, to barrel aging.

Most Beaujolais is made by a technique called carbonic

maceration. The hand-picked grapes are not crushed, but are placed in vats, Grapes at the hottom hurst because of the weight. That juice begins to ferment, warming the vat and causing fermentation inside the unbroken grapes.

Eventually all the grapes break open and the skins float to

the top. They are pumped over several times a day except in Moulin-a-Vent where racks hold them under the surface of the new wine. This slows down the fermentation, extracting even more flavor, color and tannins. The result is a wine ready for barrel aging and a long life thereafter.

At a table set out under the great plane trees in Chenas, we began to work through a series of Moulin-a-Vents. Starting with a 1997, hardly ready to drink, we tasted back through wines from 1995, 1990, 1985, 1975, 1973, 1947 and 1945.

The wines were Duboeut's except for the two or three oldest. They were from a competitor, Chateau Des Jacques, a Moulin-a-Vent producer in Romaneche-Thorins. It was recently purchased by Maison Louis Jadot, a Burgundy firm seeking a footbold in Beaujolais.

Accepted wisdom holds that as Beaujolais gets older it begins to resemble Burgundy. Discussing Moulin-a-Veot a few years ago, the English wine expert Clive Coates wrote: 'This is absolute rubbish.'

Duboeuf disagrees. "Tasted by itself, an old Beaujolais, especially ooe aged in wood, could appear to be Burgundy. said. But he added that if an aged Beaujolais and Burgundy were placed side by side and tasted, a wine aficionado would discern the difference.

Duboeuf, 65, has been making Beaujolais for most of his life. Drawing on some 400 growers and 13 cooperatives, he annually produces about 10 percent of all Beaujolais, including about six different Moulin-a-Vents, several of which are all or partially aged in oak barrels. Just like Burgundy.

As our tasting showed, good old Beaujolais can be very good indeed. The 1985 was still young, and the wines from the 1970s were at the peak of their maturity. The wines from the 1940s (50-year-old Beaujolais!) were undonbtedly old but they had fruit, good acid, richness and a lovely bouquet. They still displayed the uncomplicated charm of fine Beaujolais, faded but unmistakable.

I would have given the 1945 a few points over the 1947 had anyone asked me. No one did. Who quibbles when such rare terrace on a summer day?

# 'Solid Gold Hero': A Re-evaluation of Lindbergh

By Dinitia Smith New York Times Service

NEW YORK — Charles Lindbergh's flight across the Atlantic in 1927, cotton wool in his ears, a mirror stuck to his plane with gum, lasted only 33 and a half hours. But when he landed in Paris, he was compared to Jesus and to the mythical hero learns, who flew too close to the sun - only Lindbergh had survived.

"He was the first modern media superstar," said A. Scott Berg, author of "Lindbergb," an exhaustive new biography, nine years in the making, that will be published in September. Lindbergh lived on as a blueeyed symbol of American innoceoce, an image that was later sullied by his troubling statements about Jews even as Nazi per-

secution grew in Germany.
Lindbergh and his wife, the author Anne
Morrow Lindbergh, seemed to have an ideal marriage. Berg, the first writer to be given unrestricted access to Lindbergh's papers by his family, discovered a more complex picture. Mrs. Lindbergh is 92 and lives in Con-

"A lot of Lindbergh's behavior took my breath away." said Berg, the author of "Max Perkins: Editor of Genius" and "Goldwyn: a Biography." He was capable of astonishing coldness toward his family, with moments of sadistic behavior. He could not express his grief over his son's kidnapping and death and insisted that his wife cry in private.

But in the end, Berg said, he admired the man. "He performed a death-defying deed. He never cheapened himself by selling out. In fact, he kept making his life one of purpose. For us living in a tinny age of celebrity, here is a solid gold hero."

Lindbergh is an immense subject for any hiographer. "It was America's moment in the sun," Berg said of Lindbergh's triumph. "He was hrave, young, extremely handsome. There was not a bad photograph to be taken of him. It was the moment when the media exploded. They had talking pictures, the radio could spread news." He became, Berg writes, 'a hlank screen onto which each person projected his own best images of man.

quite let go of. Berg lived Lindbergh's life, cause "aviation created a brotherhood of visiting his ancestral farm in Sweden, lying in the bed he used in Paris, digging through his nearly 2,000 boxes of papers at Yale.

"Lindbergh was full of surprises for me," Berg said, "the extent to which he did med- fly solo across the Atlantic nonstop, be grew



Charles Lindbergh's biographer, A. Scott Berg, with a bust of the aviator.

aware of the full extent of his cootributions to rocketry and conservation. He wrote six books and won a Pulitzer and became a wonderful writer. I didn't realize the breadth

and depth of his interests."

The revelations began with Lindbergh's childhood. "He made it seem like Huck Finn oo the Mississippi," Berg said. But Lindbergh "bad a very lonely, isolated childhood, much of it spent in Washington," where his father, C.A. Lindbergh Sr., was a congressman from Minnesota. "His father was always trying to make a man out of him. He teased him to tears."

Lindbergh's parents, Berg said, "were locked in a bitter marriage." His mother, Evangeline Lodge Land, had rages and was probably mentally ill. Mother and child were close. When he went to the University of Wisconsin, she lived with him. At age 25, Lindbergh had still never dated.

The emotionally stunted young man was Lindbergh is a figure Americans can never drawn to aviation partly, Berg writes, becasual acquaintances — people constantly coming and going — in which he felt comfortable

After Lindbergh became the first man to

ical research," for instance, "I was not wealthy. He was an adviser to the precursor aware of the full extent of his cootributions to of TWA and to Pan American World Airways. Anne Morrow's teacher. Mina Curtiss, said that had it not been for the flight, Lindbergh would "be in charge of a gasoline station on the outskirts at St. Louis,

In 1929, Lindbergh married Anne Morrow, the daughter of Dwight Morrow, a partner of J.P. Morgan and ambassador to Mexico. In 1930, Charles Jr. was born.

Berg interviewed the baby's nurse, Betty Gow, in Scotland, who described "that little bit of sadism" in Lindbergh. Following upper-class custom, the Lindberghs left the baby for long periods, and on one return, Berg said, be did not recognize them. To toughen him. Lindbergh put bim in his playpen ontdoors and let him cry, in a sense repeating his own father's behavior.

From the birth, there had been kidnapping threats. As is well known, on March 1, 1932; Gow discovered his crib empty. A kidnapper's note was found. Lindbergh tried frantically to negotiate a release. But the baby was fnund dead, apparently dropped by the kid-napper as he climbed down a ladder. Berg

book," Berg said. Eventually a carpetter, Bruno Richard Hauptmann, was convicted of 'the crime of the century," and executed.

Some speculated that Hauptmann was in-nocent. Berg said he began hoping to clear him: "That would have been news." But he read through police reports and interviewed Hauptmann's widow. Anna, and believes Hauptmann was guilty. "There was a mountain of evidence," Berg said, including the ladder traced to Hauptmann, experts' lestimony on the ransom notes and serial numbers on money Hauptmann spent.

The Lindberghs fled to Europe and had

five other children.

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The most controversial part of Lindbergh's life began when he came under the influence of Alexis Carrel, a Nobel Prizewinning doctor and physiologist with whom he developed a tissue perfusion pump to keep organs alive outside the body. Carrel believed in voluntary sterilization and engenics and that "the most highly civilized races" are white.

During the 1930s, Lindbergh inspected the Luftwaffe, which he believed would be a key element in a Germany victory in war. The Lindberghs were entertained by Goering, and Lindbergh received the Service Cross of the German Eagle. In a letter written in 1937, Lindbergh said Hitler was "underty the control of t doubtedly a great man, and I believe has done much for the German people."

In 1939, the Lindberghs returned to the United States. Lindbergh joined the group America First, which opposed involvement in the European war. In a famous speech in Des Moines, lowa, in 1941, Lindbergh said: "It is not difficult to understand why Jewish people desire the overthrow of Nazi Germany.

"The persecution they suffered in Ger-any," be went on, "would be sufficient to make bitter enemies of any race."

But be continued: "Their greatest danger to this country lies in their large ownership and influence in our motion pictures, our press, our radio and our government." Some of his writings were edited to soften his opinions.

Berg, who is Jewish, said: "The anti-Semitic material was less than I expected. If the definition of an anti-Semite is someone who hates Jews, then he was not anti-Semitic. If anti-Semitism means viewing Jews as different, as other than American, as the Other, then yes, he was anti-Semitic." Berg added: reveals intimate details of Lindbergh's be-bavior during this time. "Anne Lindbergh never once saw her busband cry," he writes. "That is the most devastating line in the



THEY CAME TO PLAY - The artist formerly THEY CAME TO PLAY — The artist formerly known as Prince being mobbed by fans as he and his wife, Mayte Garcia-Nelson, arrived in Malaga, Spain.

The World Wrestling Federation has bought her bankrupt hotel-casino in Las Vegas for \$9 million. Reynolds, 66, a Acetates of Elvis Presley's first record-the state of Lower Saxony. and memorable wines are to be savored on a shady country known as Prince being mobbed by fans as he and his

# **PEOPLE**

THE New York town house of the pop artist Andy Warhol, where he lived until his death in 1987, was designated a "cultural landmark" by a nonprofit architectural group. The ceremooy designating the house a landmark lasted precisely 15 minutes, in homage to the artist's proclamation that "everyooe will be world famous for 15 minutes."

Archaeologists in Athens have come between Calvin Klein and the fashion shows he wanted to stage at two of the city's most treasured ancient sites, including the Agora. Klein's idea was rejected. "Only artistic shows are allowed at the sites, and a fashion show is not an artistic show," said Mary Pandou, director of the archaeological sites for the Central Archaeological Committee.

movie star for a half century, appeared upset by the sale figure. "They bought a property for \$9 million that was worth \$22 million," she said, adding, "This is a sad ending to a lot of hard work and special dreams.

Angeles cemetery to mark the 36th anniversary of the actress's death. "Marilyn touches all of us in some way through her spirit," said Greg Schreiner, founder and president of the Marilyn began 16 years ago.

A rare Gibson Sunburst guitar that the rocker Jimi Hendrix used on the single "All Along the Watchtower" sold in London for \$32,600, topping the bidding It wasn't a grudge match, though at a musical auction. Hendrix's guitar bebbie Reyunlds called it a sad ending: bad been expected to fetch double that

ing sessions in 1954 achieved record prices. Presley's "That's All Right (Momma)" fetched \$27,000.

Glenn Close and Marisa Tomei will be joined by actresses from Bosnia-Herzegovina in a production of Eve En-Some 100 admirers of Marilyn Mon-sler's play "Necessary Targets," the in the former Yugoslavia, on Saturday at the National Theater in Sarajevo.

Editor's Note: Prince Ernst August of Remembered fan club. The annual event Hannover has issued a formal denial of an account published in our People column on Aug. 5, which said he had been fined for bearing a photographer who was trying to take pictures of him with Princess Caroline of Monaco. We publish his denial in accordance with Article 13 of the French law of July 29, 1881. The German court hearing the case agreed to drop the charges provided



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